

October 7, 2014

Senator Sandra L. Pappas, Chair
Senate Rules Subcommittee on Ethical Conduct
120 State Capitol Building
75 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN. 55155

Dear Madam Chair,

Attached to this letter please find a complaint regarding the conduct of Senator Bobby Joe Champion. The complaint is prepared pursuant to the provisions of Senate Permanent Rule 55. By the delivery of this letter and the attached complaint, it is hereby filed pursuant to Rule 55. We ask for the Subcommittee on Ethical Conduct to investigate this matter and take action in accordance with this Rule.

We look forward to the Subcommittee acting on this complaint.

Sincerely,



Senator David Hann



Senator Roger Chamberlain

**COMPLAINT
TO THE
SUBCOMMITTEE ON ETHICAL CONDUCT
REGARDING THE ACTIONS
OF
SENATOR BOBBY JOE CHAMPION**

Senators David Hann and Roger Chamberlain each being first duly sworn, state and allege under oath the following based upon information and belief:

Complaint: Sen. Champion used his position as a State Senator to unduly influence the Minneapolis School Board to approve a \$375,000 contract to an organization that financially benefited his friends and associates.

1. During the 2013-14 Biennium, the Minnesota Senate considered a bill appropriating \$350,000 for a grant to the Minneapolis School District for a community engagement and empowerment project with Community Standards Initiative (CSI) to reduce the achievement gap.
2. According to a StarTribune article dated September 12, 2014 (*North Side school effort called failure*), the Minneapolis School District agreed to contract with CSI on their own, without the legislature earmarking specific funds for this purpose.
3. The StarTribune reported that Sen. Champion and Sen. Jeff Hayden "threatened to withhold state aid if Minneapolis school officials did not approve [a] contract" with Community Standards Initiative (CSI).
4. The Minneapolis School Board subsequently entered into a \$375,000 contract with CSI in May of 2014 without a competitive bid process. The District made the first payment to CSI in May for \$46,875.
5. The Minneapolis School Board recently announced CSI has yet to meet its goals and is not on track to meet its obligations. CSI will not receive additional funds if they are unable to fulfill the terms of the contract.
6. The Community Standards Initiative was founded by Minneapolis community activist Al Flowers.
7. Sen. Champion is representing Mr. Flowers in a legal matter and consequently has a professional and fiduciary relationship with him. As an agent of CSI, Mr. Flowers' receipt of a \$375,000 grant constitutes a financial benefit for Sen. Champion.

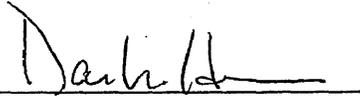
8. Sen. Champion misused his position as a state senator to unduly influence the Minneapolis School Board to approve a \$375,000 contract to an organization that financially benefited his friends and associates, and possibly himself.
9. Senate Rule 56 provides that members shall adhere to the highest standard of ethical conduct as embodied in the Minnesota Constitution, state law and these rules.
10. Senate Rule 56.3 provides that improper conduct includes conduct that violates a rule of the Senate, violates accepted norms of Senate behavior, that betrays the public trust, or that tends to bring the Senate into dishonor or disrepute.
11. Senate Rule 56.4 provides that "members of the Senate shall disclose potential conflicts of interest in the discharge of senatorial duties as provided in Minnesota Statutes, section 10A.07."
12. Minnesota Statutes 10A.07 provides that a public official who in the discharge of official duties would be required to take an action or make a decision that would substantially affect the official's financial interests or those of an associated business, unless the effect on the official is no greater than on other members of the official's business classification, profession, or occupation, must disclose that action or decision and the nature of the potential conflict of interest to the presiding officer of their respective body.
13. Sen. Champion's conduct violates accepted norms of Senate behavior, betrays the public trust and brings the Senate into dishonor or disrepute.
14. It is your complainants' belief that based on the above information Sen. Bobby Joe Champion violated Senate Permanent Rule 56.

Your complainants ask that the Subcommittee on Ethical Conduct investigate the details of this matter. Specifically, the Subcommittee should investigate the financial relationship between Sen. Champion, his legal client Al Flowers, and CSI.

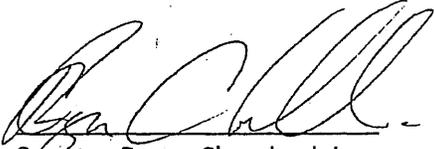
Your complainants respectfully request that all hearings on this matter be open to the public.

Your complainants ask that the Subcommittee on Ethical Conduct find that Sen. Bobby Joe Champion violated Senate Permanent Rule 56 and Minnesota Statutes 10A.07 and that it recommends such disciplinary action as the Subcommittee finds appropriate.

Date: October 7, 2014

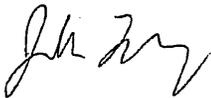


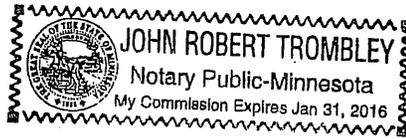
Senator David Hann

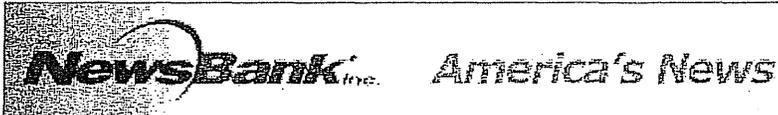


Senator Roger Chamberlain

Subscribed to, and sworn before me, a notary public, on October 7 2014







North Side school effort called failure - District says consulting group not hitting its goals.

Star Tribune: Newspaper of the Twin Cities (Minneapolis, MN) - Friday, September 12, 2014

Author: ALEJANDRA MATOS; STAFF WRITER

Minneapolis public school officials plan to stop payment on a \$375,000 contract with an organization that they say has not fulfilled its pledge of working with students and parents in the North Side's most struggling schools.

The group, Community Standards Initiative (CSI), "has yet to meet its goals and ... is not on track to meet its obligations," said Stan Alleyne, a school district spokesman. "We will not pay them additional funds if they are unable to fulfill the terms of the contract."

School officials awarded the contract in May, without competitive bid, to CSI, a nonprofit organization run by community activists Al Flowers and Clarence Hightower. They got the contract after strong lobbying by DFL state Sens. Bobby Joe Champion and Jeff Hayden, who serves as deputy majority leader in the Senate.

One source said Hayden and Champion threatened to withhold state aid if Minneapolis school officials did not approve the contract.

Alleyne confirmed "we had members of the [local legislative] delegation that reached out to us, urging us to support the work of CSI."

Hayden said Thursday the idea that he and Champion bullied or threatened the school district is "inappropriate language to use."

The district's decision has created a clash with an organization run by two of the North Side's most well-known and politically connected community activists. Hightower is pastor of New Bethel Missionary Baptist Church and the executive director of the Community Action Partnership of Ramsey and Washington Counties.

School officials plan to meet with CSI officials later in September to discuss the contract.

Hayden said the district should not be premature in making statements about CSI's performance.

"I would hope the district is a willing partner to make this initiative a success," he said.

CSI formed to address the district's vast achievement gap for black students. Hightower is the registered leader of the organization, which he runs through his church. The organization has no website, office or phone number.

In the community, Flowers has been the public face of the organization. He is currently embroiled in an issue with the city after alleging misconduct during his arrest in July when police were checking on his daughter for violating the terms of her electronic home-monitoring. Flowers' attorney is Champion, one of the senators at the center of the controversy over CSI.

Hightower did not return several phone calls seeking comment. Flowers said he does not want to get "in the middle" of the district's allegations.

"We have a ton of kids that are failing and we have to work together to save the African-American kids," Flowers said.

In a quarterly summary, CSI acknowledged there have been struggles. "As with any implementation of a new program, we continued to encounter and address several road blocks and obstacles within each school," the summary said.

Started at the Legislature

This latest CSI contract actually got its start at the Capitol.

Hayden said Hightower and several others, including Flowers and Larry McKenzie, a North Side community leader and former basketball coach, asked Hayden to introduce a separate measure that would give CSI money to address the district's achievement gap between white and minority children.

During state budget negotiations in the spring of 2013, Champion and Hayden proposed to take a sliver of the district's state aid for the organization.

But Hayden said the district did not want to lose any funding, so school officials agreed to oversee the contract themselves.

At the time, school officials continued to raise concerns about the project.

The superintendent's leadership team repeatedly met with Hightower and others to craft a workable proposal.

Last November, the team made a recommendation to Superintendent Bernadeia Johnson to "not issue CSI a contract at this time," and instead offer them a chance to compete for the money.

"Significant concerns remain across the leadership team about the comprehensiveness and quality of proposed programming, and capacity of the CSI organization for delivering on the program," the document said. "There is no clear evidence that CSI can articulate or demonstrate what they will be doing in our schools, even with significant support from several MPS staff throughout the process."

But Johnson did not end the chance for a contract. Instead, the district in February spent \$30,000 to hire a program manager to help CSI create a concrete plan, something that district officials say is extremely rare.

"Throughout the process we expressed concerns about the large scope of work and the need for expertise from other governmental bodies and organizations," Alleyne said. "We realized the goals of CSI are ambitious, but we were hoping that the people and groups who are deeply connected to our communities could help us lead change and improvements."

CSI's job was to work with three schools, Lucy Laney, Bryn Mawr and Henry High School. Each month, for the next two years, CSI had specific goals to meet around community engagement, health and wellness, school intervention and youth development.

In May, CSI received its first payment of \$46,875. That month, the group was expected to conduct one after-school session at each of the three schools to recruit parents and students.

It was required to identify 15 students per school who needed mental health referrals, in addition to enrolling 100 students per school in conflict-resolution training, mental health services and youth development.

Each month thereafter, CSI has similar goals. The group was supposed to turn in monthly reports detailing its work. Only one report had been submitted as of Aug. 29, which it labeled a quarterly summary.

It details CSI's problems with accessing students at the three schools and the difficulty of enrolling kids at schools that did not have summer school programs.

CSI says it organized various community events and joined previously scheduled summer school activities to meet students and parents.

The group currently claims to have 63 students enrolled in its program, but the contract required 450 students by the end of August.

CSI has a scheduled payment for another \$46,000 in September. Alleyne said the district will not be issuing a payment unless CSI can prove it fulfilled the terms of the contract.

Money requested

CSI has asked the district for money every year since 2011. The group initially wanted more than \$300,000 in 2011

to establish values and "standards of behavior" in all 87 neighborhoods and reward those who modeled that behavior at home, in parks, schools and within the community.

In a presentation to the district, Flowers said the group would establish behavior standards of young people, then reward those who were modeling those behaviors.

Students who were positively contributing to the community or school would be given incentive from local businesses that had partnered with CSI.

"It didn't have the focus needed to award that kind of money," Alleyne said.

Nonetheless, the district awarded \$15,000 to CSI to develop and implement "a positive behavior incentive program for young people" in Minneapolis. CSI also received \$15,000 from the Park Board.

CSI was required to turn in bimonthly reports detailing its work and outcomes.

"Unfortunately we do not have any details or documentation from 2011," Alleyne said.

Rebecca Gagnon, one of the CSI's strongest advocates on the school board, said she is disappointed that the group has not met its goals.

"This is a really important piece to making our schools better. I hope that this is not the case," she said. "I hope there is some kind of miscommunication."

Alejandra Matos • 612-673-4028

Caption: Minneapolis public school officials plan to stop payment on a \$375,000 contract with an organization that they say has not fulfilled its pledge of working with students and parents in the North Side's most struggling schools. The group, Community Standards Initiative (CSI), "has yet to meet its goals and ... is not on track to meet its obligations," said Stan Alleyne, a school district spokesman. "We will not pay them additional funds if they are unable to fulfill the terms of the contract." School officials awarded the contract in May, without competitive bid, to CSI, a nonprofit organization run by community activists Al Flowers and Clarence Hightower. They got the contract after strong lobbying by DFL state Sens. Bobby Joe Champion and Jeff Hayden, who serves as deputy majority leader in the Senate.

Edition: METRO

Section: NEWS

Page: 01A

Index Terms: Minneapolis

Record Number: MERLIN_30846489

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**Senate Counsel, Research,
and Fiscal Analysis**

G-17 STATE CAPITOL
75 REV. DR. MARTIN LUTHER KING JR. BLVD.
ST. PAUL, MN 55155-1606
(651) 296-4791
FAX (651) 296-7747
THOMAS S. BOTTERN
DIRECTOR

Senate

State of Minnesota

TO: Senator Sandra Pappas

FROM: Thomas S. Bottern, Senate Counsel (651/296-3810). *TSB*

DATE: November 4, 2014

RE: Procedures Applicable to a Probable Cause Hearing Held by the Subcommittee on Ethical Conduct

Senators Hann and Chamberlain have filed a complaint with the Subcommittee on Ethical Conduct under Senate Rule 55.3. The complaint was received by your office on October 7. You have requested a brief description of the procedures applicable to the hearing required under Senate Rule 55.4.

Under Senate Rule 55.4, the Subcommittee on Ethical Conduct is charged with holding a hearing within 30 days after receiving a complaint, and either:

- (1) making a finding of no probable cause;
- (2) voting to defer action until a certain time; or
- (3) proceeding with its investigation.

The purpose for a probable cause hearing is to determine whether, if the facts presented in the complaint are presumed to be true, the conduct described in the complaint is subject to discipline under Senate Rules. The subcommittee should also consider the probable value of evidence that will be provided to support or deny the complaint. If the subcommittee determines that there is no probable cause, the complaint must be dismissed. If the subcommittee makes a finding of probable cause, the subcommittee may determine how to proceed further regarding the complaint.

Each of the parties appearing at the proceeding has the right to appear with counsel. The Senators who have filed the complaint must first present it. Senator Champion must then be given an opportunity to respond to the complaint. The probable cause hearing is not a judicial proceeding, and the subcommittee is not bound by the rules of evidence applicable to judicial proceedings.



At the hearing, each individual providing testimony to the committee should be sworn in so that all testimony is provided under oath. After the subcommittee has begun its work to determine whether there is probable cause, any member of the subcommittee may at any time move to conduct the preliminary inquiry in executive session, which may be ordered by a vote of three of the members of the subcommittee. The executive session is not subject to the open meeting requirements of Rules 12.1 to 12.3. The executive session must be limited to the discussion of matters relating to probable cause. After a finding of probable cause, all further proceedings by the subcommittee must be open to the public.

Each Senator who has filed the complaint must be provided an opportunity to present the complaint and then may in turn be questioned by members of the subcommittee and, following that, Senator Champion.

After the Senators who have filed the complaint have finished their presentation and questions have been answered, Senator Champion should be given the opportunity to present his response. After his response is complete, questions from the subcommittee, and subsequently the Senators who have filed the complaint, are appropriate.

The subcommittee's discussion and the presentations should provide the subcommittee with assistance in determining the nature of the conduct that is at issue, whether that conduct would violate Senate Rules, and the evidence that will be provided to support the allegations.

After the Senators who have filed the complaint and Senator Champion have finished their presentations and the subcommittee has deliberated, the subcommittee must take one of the three steps previously described. Again, the subcommittee may:

- (1) make a determination regarding probable cause;
- (2) vote to defer action until time; or
- (3) proceed with its investigation.

The Senate Rules provide additional guidance for further proceedings of the Subcommittee on Ethical Conduct and applicable standards of conduct. I have attached a copy of Senate Rules 55 to 58 for your reference.

TBS/rdr
Enclosure

Rules and Administration Subcommittee on Ethical Conduct**Wednesday, November 5, 2014****12 Noon, Room 112, Capitol****Minutes**

Present: Senator Sandra L. Pappas - Chair, Senator Michelle L. Fischbach, Senator Bill Ingebrigtsen, Senator Tony Lourey

Absent: No Members Absent

Senator Sandra L. Pappas called the meeting to order at 12:13 pm

Continuation of Probable Cause Hearing regarding complaint filed by Senator Hann and others regarding Senator Jeff Hayden.

Senate Subcommittee on Ethical Conduct**Senator Sandra L. Pappas****Wednesday, November 5 2014****12:00 PM****Room 112 Capitol**

1. Call to Order

1. Chair Pappas called the meeting to order at 12:13 pm on Wednesday, November 5 2014
2. Chair Pappas recessed at 12:21 pm in order to rearrange the agenda. Senator Fischbach, Senator Lourey and Senator Hann were in favor of recessing for rearranging the agenda.
3. Chair Pappas reconvened the subcommittee from recess at 12:40 pm.
4. Senator Pappas called for those planning on testifying to stand before the committee and Senator Pappas swore in the testifiers.

2. Continuation of Probable Cause Hearing re: Complaint #1 (CSI) filed against Senator Hayden

1. Senator Hann presented the continuation of Complaint #1.
2. Mr. Charlie Nauen, Attorney from Lockridge Grindal Nauen, presented the response to the complaint by Senator Hann.

3. Mr. Nauen presented documents to add to his response. Senator Pappas reminded Mr. Nauen that the subcommittee had indicated any materials be sent to the Chair on Tuesday, November 4 but did accept the documents.
 4. Questions from the Subcommittee
 5. Questions from other parties
 6. Senator Lourey moved for finding no probable cause with complaint #1 (CSI) filed against Senator Hayden. Chair Pappas took a voice vote on the motion and the motion failed.
 7. Senator Fischbach moved to proceed with further investigation to instruct the Chair to request Minneapolis School Board to respond to questions provided by Senator Hann. Chair Pappas took a voice vote on the motion and the motion failed.
 8. Senator Pappas laid over complaint #1.
 9. Senator Pappas announced a brief recess at 1:54 pm.
 10. Senator Pappas reconvened the subcommittee at 2:00 pm.
3. Continuation of Probable Cause Hearing re: Complaint #2 (CAM) filed against Senator Hayden
1. Testimony from Department of Human Services and the Department of Commerce.
 1. On behalf of the Department of Human Services:
 1. Chuck Johnson, DHS Deputy Commissioner
 2. Amy Akbay, DHS State Program Manager
 2. On behalf of the Department of Commerce:
 1. Peter Brickwedde, Dept. of Commerce Government Affairs
 2. Bill Grant, Dept. of Commerce Deputy Commissioner
 2. Questions from the Subcommittee
 3. Questions from other parties
 4. Senator Ingebrigtsen moved to proceed with investigation by first contacting IPAD and inquiring when an IPAD opinion on the classification of data related to the DHS audit of Community Action Minneapolis would be available. Chair Pappas took a voice vote on the motion and the motion failed.
 5. Senator Fischbach moved to defer action until the investigation by the Department of Commerce is complete and to reconvene within 30 days after the date of the investigation is complete. Chair Pappas took a voice vote and the motion prevailed.

6. Chair Pappas moved for a brief recess at 4:17 pm.
7. Chair Pappas reconvened the subcommittee at 4:30 pm.

Probable Cause Hearing regarding complaint filed by Senators Hann and Chamberlain regarding Senator Bobby Joe Champion.

If you have questions please contact Catherine Ryan at catherine.ryan@senate.mn or 651-297-5393.

1. Probable Cause Hearing re: Complaint filed against Senator Champion

1. Presentation of complaint against Senator Champion
2. Senator Pappas called for those planning on testifying to stand before the committee and Senator Pappas swore in the testifiers.
3. Senator Hann presented the complaint against Senator Champion.
4. Ms. Karlowba Adams Powell and Mr. F. Clayton Tyler presented the response to the complaint. Senator Champion also presented a response to the complaint.
5. Senator Lourey made a motion to find no probable cause. Chair Pappas took a voice vote and the motion failed.
6. Senator Fischbach moved to proceed with further investigation to instruct the Chair to request Minneapolis School Board to respond to questions provided by Senator Hann. Chair Pappas took a voice vote on the motion and the motion failed.
7. Chair Pappas laid the complaint on the table.

2. Adjournment

1. Senator Pappas adjourned the meeting at 5:38 pm.

The meeting was adjourned at 5:38 pm.

Senator Sandra L. Pappas, Chair

Katie Gasper, Legislative Assistant

Minnesota Senate
Subcommittee on Ethical Conduct

Probable Cause Hearing
Senator Bobby Joe Champion
November 5, 2014

Senator Champion's Exhibits

Community Standards Initiative

- **No Personal Gain**
 - *Represented Mr. Al Flowers in a police brutality matter that occurred on July 25, 2014*
 - *Represented Mr. Al Flowers' daughter in juvenile matter in June 2014*
 - *Did not represent Mr. Al Flowers or his family members during 2013 Legislative Session*
- **No “Threats” “Bullying” or “Extortion”**
- **Legislative Process and Negotiations**
- **Cannot Rely on Newspaper Article for Ethics Complaint**

EXHIBIT A

Probable Cause

The purpose of a probable cause hearing is to determine whether there are sufficient facts in the record to believe a violation of the law has occurred as alleged in the complaint. *The test of probable cause is whether the evidence worthy of consideration brings the charge within “reasonable probability.”*

Koppen v. Maplewood Firefighters Ass’s, OAH No. 7-6361-16947-CV (Nov. 10, 2005) (citing Gerstein v. Pugh, 420 U.S. 103 (1975)) (emphasis added).

EXHIBIT B

Draft Amendment

04/16/13 08:25 AM

COUNSEL

EN/RDR

SCS0453A-9

1.1 Senator moves to amend the Division Report (SS0453DIV) on S.F.
1.2 No. 453 as follows:

1.3 Page 71, after line 28, insert:

1.4 "Sec. 16. ACHIEVEMENT AND INTEGRATION REVENUE USE,
1.5 MINNEAPOLIS.

1.6 Notwithstanding Minnesota Statutes, section 124D.862, subdivision 5, Special
1.7 School District No. 1, Minneapolis, must reserve up to \$500,000 in fiscal years 2014 and
1.8 2015 only of its achievement and integrated revenue, under Minnesota Statutes, section
1.9 124D.862, to improve and close the achievement gap. These funds must be allocated to
1.10 community organizations within the district that are working to close the achievement
1.11 gap within the district. Community organizations are eligible for funding after they
1.12 have submitted a proposal to the district that includes measurable plans to reduce the
1.13 achievement gap within the district. The district must consider plans submitted by the
1.14 Minneapolis Urban League and the Minneapolis Community Standards Initiative. The
1.15 district must include revenue reserved under this section in its long-term comprehensive
1.16 plan, under Minnesota Statutes, section 124D.861, subdivision 2."

1.17 Renumber the sections in sequence and correct the internal references

1.18 Amend the title accordingly

EXHIBIT D

CSI Interview questions (9/11/14)

In 2011, CSI asked for a \$200,000 contract and only a \$15,000 contract was awarded. Why didn't you award the \$200,000 contract then?

- The proposal lacked direct alignment with the core of our work – teaching and learning.
- The program was unsustainable and the scope of the overall initiative was too broad.
- There was not enough specific supporting data or best practices from other municipalities that engaged in similar campaigns or initiatives.

According to your legal department, there are no scope of work documents for that 2011 contract. Do you know what work the group did then, if any? Why is there no documentation?

- The plan was to launch the initiative by promoting it to the community and then beginning the engagement work.
- We do not have details or documentation of the work. Staff turnover factors into the lack of knowledge about the 2011 work.

Did you take bids from other organizations to do the work that CSI was intending to do in 2011 and 2013?

- No, we did not have a bidding process for CSI. This work was not deemed one of the superintendent's priorities so we did not reach out to find vendor.

Did you have any reservations in awarding the latest \$400,000 contract? Why did you give the group seed money to come up with a concrete working plan? Why not just look for a different organization to do this type of work that already had a concrete plan in place?

- Throughout the process, we expressed concerns about the large scope of work and the need for expertise and support from other governmental bodies and organizations.
- MPS has always been committed to working with community members and groups that have strong connections with MPS schools and families.
- We realized the goals of CSI are ambitious, but we were hoping that people and groups who are deeply connected to our communities could help us lead change and improvements.

Was the asking bid \$400,000 or did they want more?

- The initial request was for significantly more than \$400,000. I don't recall exactly how much they asked for initially.

Why was CSI given \$400,000 when the Office of Black Male Student Achievement received \$200,000?

- CSI did not receive \$400,000. If they work that we agreed to was completed, then contract payments would total that amount. The OBMSA is an internal priority in our work to close the achievement gap. We are not contracting this work. We are staffing and investing central office time and resources into the work of the OBMSA.

EXHIBIT E

Despite giving CSI double the funding of OBMSA, why have we not heard about CSI's efforts from your office?

- As I stated, we have not given CSI \$400,000.

What schools was CSI supposed to work with? Contract details work but does not specifically mention which schools.

- Lucy Laney, Bryn Mawr and Henry

Why did you hire Hightower's church to perform duties like provide mental health referrals when there is little proof of expertise in that area?

- The idea was to work with individuals and organizations that are integrally a part of the north Minneapolis community. It was our hope that this organization could make strong connections to students and the community in a more effective way than the school district can.

Why did you award the contract despite no proof of work performed in 2011 by the same group?

- CSI was introduced as a legislation item in the spring of 2013. We agreed in June to work with Mr. Hightower on possible pilot sites, a specific timeline for implementation and execution, metrics to determine how the program was progressing and ways to implement the initiative in additional schools in the future.

What role did Flowers play in the most recent contract? What role did Hightower play?

- MPS has not contracted with Mr. Flowers. Mr. Hightower is the program/project manager and oversees the finances.

Did you know the registered agent with the SOS for the group is a woman named Gloria Hudson? What were your interactions with her?

- I have no knowledge of Ms. Hudson. We have not interacted with her.

What role did Hayden and Champion play in attaining and executing this contract in 2011 and 2014?

- We cannot recall them having a role in 2011. In 2014, both lobbied for us to contract with CSI.

Why did Hayden and Champion push to get this contract?

- I think you should ask them. Both felt strongly that a community organization needed to be a part of our work to improve parental engagement and help provide more mental health services to students.

Would you have awarded the contract without the political influence of Hayden and Champion?

EXHIBIT E

- I will not speculate if we would or would not contract with CSI. I can say that we were hoping that partnering with a community-based organization would have resulted in positive outcomes for our students.

There are no scope of work documents for CSI from May through August. There was a \$50,000 payment in May. Why was that money disbursed despite no work? Will the district ask that that money be returned?

- We provided seed money for CSI to hire a project manager and develop implementation plans for engagement and events.

Will the district continue its contract with CSI? There is a \$50,000 payment due this month. Will that be disbursed?

- We plan to meet with CSI representatives before the end of the month to discuss the deliverables and the future work. CSI has yet to meet the goals and metrics in the agreement. As of today, CSI is not on track to meet its obligations. We will not pay them additional funds if they are unable to fulfill the terms of the contract.

Do you foresee a situation where CSI provides documentation for May - August and you allow the contract to continue?

- I will not speculate on information that we have yet to receive. We can only hope that the terms of the contract are fulfilled in a timely fashion.

EXHIBIT E

Professor Levy-Pounds et al,

In response to the 10/8/14 "Open Letter Re: CSI Debacle and Calls for an Independent Investigation" authored by the Black Advocates for Education I offer the following on behalf of the Minneapolis Board of Education specific to the statements, questions and demands made.

1) It is the opinion of our District Counsel that Professional Service Agreements, such as the contract with New Bethel Missionary Baptist Church for CSI services, do not require a public bidding process.

2) Professional Service Agreements commonly appear on the consent agenda for approval. Board members have the opportunity to move specific items from the consent agenda for discussion and specific action.

3) The New Bethel contract was included on the consent agenda at the 5/13/14 Board of Education meeting. I am confident that all board members were fully aware of the performance-based contract as negotiated and recommended by the superintendent and her leadership team.

4) The board unanimously approved the consent agenda on an 8-0 vote. (Director Ellison was not in attendance due to illness).

5) We do not approve contracts behind closed doors. All communications of staff and board members are discoverable, all committee and board meetings are open to the public and I believe we have abided by all standards of transparency.

6) The board will participate fully in any investigation ordered by an appropriate authority pertaining to this contract or any other matter concerning alleged breaches of leadership.

7) Any further allegations, questions or demands should be directed to our District Counsel for response.

This board and staff are aware of, and working diligently to address, the educational disparities for our students of color. We will continue to reach out for community-driven solutions and engagement to achieve more equitable results.

Lastly, on a personal note, I fully concur with your statement: It's a crying shame that while adults play political games for self-enrichment and to increase their personal influence, Minneapolis students are suffering and their potential is being stifled. Let's move forward.

Best regards,
Richard

Richard Mammen
Chair, Board of Education
Minneapolis Public Schools
1250 West Broadway Avenue
Minneapolis, MN 55411
www.mpls.k12.mn.us

Please be aware that the Board Chair or Vice Chair is responsible for responding on the Board's behalf to emails sent to the entire Board of Education. Members may also choose to respond individually.

EXHIBIT F

**Exhibit H – Mpls Public Schools Affidavit
To be provided by Sen. Champion on Wednesday**

David W. Hann
Senate Republican Leader
147 State Office Building
St. Paul, Minnesota 55155
Office Phone: 651-296-1749



Senate

State of Minnesota

October 29, 2014

Dr. Bernadeia Johnson
Superintendent
Minneapolis Public Schools
1250 West Broadway Avenue
Minneapolis, MN 55411

Dear Dr. Johnson,

As you may know, my colleagues and I recently filed ethics complaints against Sen. Jeff Hayden and Sen. Bobby Joe Champion for their role in the Minneapolis School Board's contract with Community Standards Initiative (CSI). Specifically, we allege that Senators Hayden and Champion misused their power as legislators to unduly influence the \$375,000 contract to CSI.

The basis for our complaint is a StarTribune article dated September 12, 2014 (*North Side school effort called failure*), claiming Sen. Hayden and Sen. Champion "threatened to withhold state aid if Minneapolis school officials did not approve the contract." This quote was attributed to an unnamed source at the Minneapolis School Board.

In voting to defer our ethics complaints to a November 5, 2014 meeting, the Subcommittee on Ethical Conduct tasked me with seeking additional information about these allegations. Although the Subcommittee does have the power to issue subpoenas, they would prefer your voluntary cooperation at this time.

These senators have been charged publicly with a serious abuse of power, and it is important to them and the entire Minnesota State Senate that we find the truth.

In the spirit of cooperation and in the interest of holding these senators accountable or clearing their good names, I am asking for your help by answering the questions attached to this letter.

I, and the Ethics Subcommittee, appreciate your candid answers to these questions. We need your response before the next Subcommittee hearing on November 5, 2014.



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Committee: Rules and Administration
E-Mail: sen.david.hann@senate.mn

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I recognize the short time frame imposed by our Senate ethics subcommittee schedule. If you would prefer to meet in person or talk over the phone, please call my office at (651) 296-1749 so we can set up a meeting.

Thank you in advance for your cooperation. I look forward to getting this matter behind us so we can return to improving the lives of the people of Minnesota and the Minneapolis School District.

Sincerely,

A handwritten signature in black ink, appearing to read "David W. Hann". The signature is fluid and cursive, with a large initial "D" and a long horizontal stroke at the end.

Senator David W. Hann
Senate Republican Leader

Subcommittee on Ethical Conduct
Minnesota State Senate
Questions for Minneapolis School Board Members and Staff
October 28, 2014

At any point in the process leading to the awarding of a grant to Community Standards Initiative (CSI):

1. Did you have or participate in any conversations about CSI with Sen. Hayden and/or Sen. Champion?
2. If so, how many times? Where and when did the conversations take place? What were the names of other individuals who participated in and/or heard the conversation(s)?
3. What was specifically said or implied in those conversations by Sen. Hayden and/or Sen. Champion?

7. If so, how many times? Where and when did the conversations take place? What were the names of other individuals who participated in and/or heard the conversation(s)?

8. Did you have any conversations with the media about the CSI contract? If so, with who and what was said?

9. Is there anything else you would like to add concerning this incident?

Bernadeia Johnson
Superintendent

Subscribed to, and sworn before me, a notary public, on _____

Date Produced: October 29, 2014

The following is delivery confirmation for letters received by the Minneapolis Public Schools.

Letters addressed to:

Dr. Bernadeia Johnson

Mr. Michael Goar

Mr. Michael Thomas

Mr. Robert Doty

Mr. Steve Liss

Mr. Stan Alleyne

Ms. Adrienne Jordan

Mr. James Grathwol

Mr. Eric Moore

Mr. Richard Mammen

Ms. Jenny Arneson

Ms. Kim Ellison

Ms. Rebecca Gagnon

Mr. Alberto Monserrate

Ms. Tracine Asberry

Ms. Carla Bates

Mr. Josh Reimnitz

Mr. Mohamud Noor

Signature of Recipient: _____

Date/Time: _____

Address of Recipient: 1250 West Broadway Avenue
Minneapolis, MN 55411



MINNEAPOLIS
PUBLIC SCHOOLS

Urban Education. Global Citizens.

Office of the District General Counsel

1250 West Broadway Avenue
Minneapolis, Minnesota 55411-2533
Phone: 612.668.0480
Fax: 612.668.0485

November 4, 2014

Senator David W. Hann
Senate Republican Leader
147 State Office Building
St. Paul, Minnesota 55155

Dear Senator Hann:

I am General Counsel for the Minneapolis School District. I have received the letters you sent to nine school board members and nine District staff requesting affidavits from each in relation to your ethics charge against Senators Hayden and Champion.

In the interest of responding before the hearing, the district is submitting three affidavits from Bernadeia Johnson, Superintendent; James Grathwol, District Lobbyist; and Richard Mammen. Ms. Johnson was responsible for moving the CSI contract forward. Mr. Grathwol was most directly involved in the legislative efforts to fund CSI. Mr. Mammen, is Chair, spokesman for the Board. The affidavits describe the Senators' interaction with the District concerning CSI. The affidavits do not directly answer all of your questions. For example, we are not responding to questions about district officials' contact with the media, as they do not seem relevant to your inquiry. The District responded to your request in the interest of cooperation fully with any ethics investigation; however, going forward, we will respond only to requests directly from the Committee itself.

Please direct any further requests to my office.

Thank you.

Sincerely,

Steve Liss

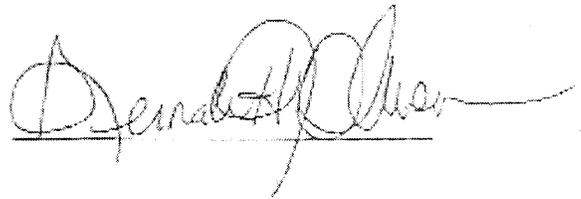
District General Counsel

Statement of Bernadeia Johnson

Community Standards Initiative

1. I was introduced to the Community Standards Initiative (CSI) project in 2012. This was a community-based program to address behavior in the schools, which was supported by political, community and district leaders. The first proposals were vague and overly-ambitious. After review by staff, I could not support the program as originally drafted because there were concerns about scope, capacity, and results.
2. In the Spring of 2013, I received a call from Jim Grathwol, District Lobbyist, who explained a situation at the Capital regarding CSI. He explained that Senators Champion and Hayden were planning to introduce an amendment in Finance Committee to reserve \$1 million of MPS's Integration Revenue for the biennium to fund CSI.
3. After talking to Mr. Grathwol, I was very concerned that our integration revenue could be in jeopardy. First, any statutory reserve of integration revenue would reduce integration funding for the current biennium, and possibly future biennia. In its restoration of integration revenue, the Legislature had already reduced MPS's allocation by \$3 million, so there was a concern about the loss of another \$500,000 annually.
4. More significantly, I feared that the amendment would place at risk the district's entire \$15+ million in Integration Revenue at risk. The 2011 Legislature had repealed Integration Revenue; in 2013, the Legislature was in the process of restoring that funding. The political compromise – even with a \$3 million cut to MPS – to restore the funding was on shaky ground. I trusted Mr. Grathwol's assessment that the amendment could re-open the entire compromise.
5. Mr. Grathwol negotiated with the Senators on my behalf to reach a compromise on CSI without the need for an amendment in the Finance Committee. We agreed that the District would use approximately \$250,000 per year for the biennium to fund a community-based initiative to support MPS students. The district always seeks ways improve our partnerships with community organizations.
6. I believed that funding this project through a contract would be preferable that a direct appropriation to an organization. A contract would allow greater district involvement in setting the project goals and in assuring accountability.
7. Following this agreement, district staff spent months working with CSI representatives to shape a contract that was meaningful and accountable. They worked on a delivery model that could be effective and demonstrable.

8. During this period, Senators Champion and Hayden remained strong advocates for the program, as were some members of the Board. I met and spoke with the Senators about the contract on a number of occasions. I always believed that they were advocating for the program because they believed the district should partner with the community to improve the results for our children.
9. During these months, my staff and I continued to be concerned that the organization had the capacity to achieve the results they were envisioning. I was somewhat reassured by the leadership of Reverend Hightower and the involvement of Dr. Bravada, a well-respected psychologist. However, because of continued concerns, in the Fall of 2013, I considered moving to an RFP process.
10. On January 6, 2013, I met with with Senators Hayden and Champion, and Reverend Hightower, along with my staff. They expressed frustration that the CSI contract had not been finalized. Following the meeting, I decided to give CSI a final opportunity to demonstrate capacity to deliver results.
11. My staff worked with CSI staff through the winter to develop the contract, which assured accountability for results. Although I continued to be concerned about the organizational capacity of CSI, I felt it was worth the risk to empower our community organizations. I believed that, if the organization did not succeed, we had a contract that would limit the financial commitment of the district.

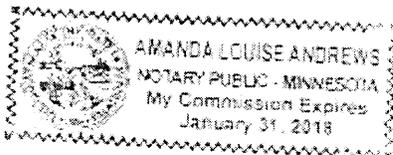


Subscribed and sworn to before me this

7 day of November 2014



Notary Public



Affidavit of James F. Grathwol
To
Minnesota State Senate
Subcommittee on Ethical Conduct

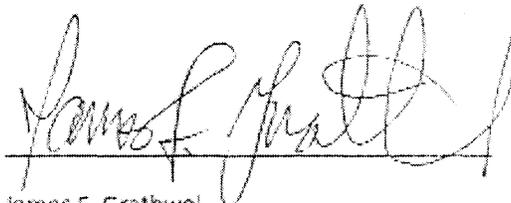
1. I first became aware of the Community Standards initiative at a public meeting attended by many MPS senior level staff in 2012. I am aware that the proponents of the initiative sought a grant from MPS through the office of Community Engagement.
2. I have routine and regular contact with Senator's Champion and Hayden. In general, I speak with them about advancing the Minneapolis Public Schools legislative agenda and listening to their concerns, advice and observations. In general, I meet with them in their offices by appointment or on a "catch as catch can" basis.
3. Senator Hayden authored legislation regarding CSI (SF1214) that appropriated \$350,000 in FY 14 to MDE for a grant to MPS to work with CSI. Representative Mullery authored the House companion, HF1401. Both bills received public hearings. Senate E-12 Finance Committee heard the Sen. Hayden bill, SF1214, on March 20, 2013. The House committee on Early Childhood and Youth Development heard the House companion authored by Rep. Mullery on, HF1401, on April 9, 2014.
4. Since the CSI proposal was not part of Minneapolis Public Schools legislative agenda, I did not testify in either the House or the Senate committee. I do not recall any specific conversation with Senator Hayden or Representative Mullery regarding SF1214 or HF1401. Though I was present at both public hearings, I was not asked by either author to testify in favor of the bill on behalf of MPS, nor did I speak in opposition to the bills.
5. When the House and Senate assembled their omnibus E-12 education finance bills, neither House nor Senate bill included any appropriation to MDE for a grant to MPS for CSI.
6. The Senate Finance Committee heard the Senate E-12 Omnibus bill Tuesday April 16th, 2013. During the hearing, Senators Champion and Hayden approached me with an amendment to the Senate E-12 finance bill that Senator Champion wanted to offer as Vice-Chairperson of the Senate Finance Committee during the mark-up of the Senate E-12 Finance omnibus bill. The amendment proposed reserving a \$1 million of MPS' integration revenue for a grant to CSI of \$500,000 in each year of the biennium.
7. Restoration of integration revenue, aid and levy, after its repeal by the 2011 legislature, effective in FY14, was a key component of MPS' 2013 legislative agenda. During the 2013 Session, I had worked successfully to ensure restoration of a reformed integration revenue formula was included in both the House K-12 Finance bill and the Senate E-12 Finance bill.

8. Though restoration of the new achievement and integration revenue formula was included in both House and Senate bills, I did not want Senator Champion to offer an amendment in the Senate Finance committee to reserve a portion of MPS integration revenue for the purposes of a CSI contract. I viewed such an amendment as posing a risk to MPS fiscal interests and to the larger goal of an uneventful reinstatement of the integration revenue and reforms. The school district did not want to see integration revenue available for district integration purposes reduced by \$1 million. Finally, I prefer not to have public disagreements between the Minneapolis Public Schools and members of the Minneapolis delegation.
9. I informed the Senators that MPS would oppose the amendment if offered, pulling the Superintendent down to the Capitol if necessary. After a number of phone consultations with the Superintendent we resolved upon the following agreement among and between the Senators and Superintendent Johnson.
10. Superintendent Johnson appreciated the risk the proposed amendment posed to reinstatement of integration funding and revenue available to MPS. The Superintendent agreed to reserve a portion of MPS' Achievement and Integration revenue (\$250,000 per year; \$500,000 for the 2014-15 biennium) to grant out to Community Based Organizations, inviting CBO's to support our work closing the achievement gap. The Superintendent made this commitment because MPS has a long history of contracting with community based partners to support the success of our students. CSI could actively participate in this process. She also thought the project could be better aligned with school district priorities and more accountable if it were performed under a contract.
11. In exchange for this commitment on the part of Superintendent, Senator Champion and Senator Hayden dropped the amendment. The Senate E-12 Finance Omnibus bill passed out of Senate Finance Committee uneventfully, passed the Senate floor, was sent to an omnibus supplemental budget conference committee where the new integration formula and reforms were adopted, enacted by each body in a conference committee report, signed by the Governor and enacted into law.
12. Senators Champion and Hayden remained very interested after the 2013 Legislative Session to see that the process resulted in a contract for the CSI initiative.
13. During the summer and fall of 2013, and the winter and spring of 2014, meetings were held between various configurations of the Superintendent and her staff and Senators Champion and Hayden and proponents of CSI.
14. On January 6th, 2014, I participated in a meeting that was held in the Superintendents' office. The meeting was attended by the Senators, their staff, MPS Supt. Johnson, CEO Michael Goar,

Adrienne Jordan, Assistant to the Superintendent, Eric Moore, Director of Research Evaluation and Assessment and Clarence Hightower, representing CSI.

15. The Senators were concerned that no contract had been issued to CSI. The Superintendent presented her staff's concerns that the CSI, initiative, while well-intended, did not adequately define the work to be performed, outcomes to be achieved nor did CSI demonstrate a capacity to deliver the intended results.
16. The meeting ended with the Superintendent affirming her commitment to providing CSI support and technical assistance in the process. She also set certain requirements for CSI to meet in order to move the project the project forward.
17. Senator's Champion and Hayden remained actively engaged in advocacy for the award of a contract to CSI believing a community-based approach could serve the students of Minneapolis. Over the course of the spring, meetings occurred where MPS committed resources to help CSI develop a proposal, a logic model defining deliverables and a pay for performance structure to address the school district's concerns about capacity.
18. Senators Champion and Senator Hayden have both authored components of MPS Legislative agenda. In 2013, Senator Champion chief authored SF1416, a conditional appropriation to Metro Transit to allow for increased subsidy to the bus passes used by Minneapolis Public Schools students. The same year, Senator Hayden was a key advocate of the DHS appropriation for school linked mental health grants that have allowed MPS to expand the delivery of mental health services in our schools.
19. In closing, I make every effort to secure legislative support for the Minneapolis Public Schools legislative agenda. Legislators, from Minneapolis and beyond, seek to interest MPS in their efforts or causes. Some of which we can support, some of which we must oppose. Over the years, I have had many occasions to oppose legislative proposals sponsored by members of the Minneapolis delegation. I do so respectfully and effectively.
20. In this case, MPS did not oppose the legislative proposal to appropriate funds to MDE for a grant to MPS to work on the CSI proposal. We did oppose a legislative amendment that would have made a statutory set-aside of MPS' achievement and integration revenue for this specific grant purpose.
21. I recommended and the Superintendent chose to redirect the Senator's advocacy in favor of CSI away from the Senate Finance committee and towards a Superintendent's commitment to manage a contract process for Community Based Organizations.

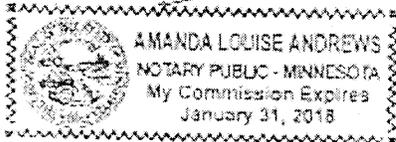
22. Continued advocacy on the part of the Senators, MPS board members, community members, and the Superintendent's genuine desire to partner with community organizations, resulted in an MPS investment of time, resources and technical expertise to develop a proposal from CSI.
23. The final proposal included specific outcomes and metrics, with delivery timelines to ensure accountability for results. CSI's failure to produce the specified results and benchmarks resulted in termination of the contract.



James F. Grathwol
Lobbyist, Minneapolis Public Schools

Subscribed to, and sworn before me, a notary public, on November 4, 2014

Notary Public



Statement of Richard Mammen

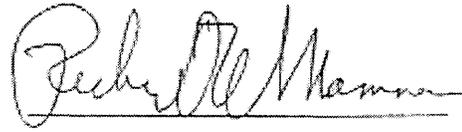
Regarding the Community Standards Initiative Contract

1. I write as a member of the Minneapolis Board of Education for the past 3+ years and Chair of the Board in 2014. My statement is intended to clarify my personal experiences and perspectives of fact in regards to the development and ultimate contract with New Bethel Missionary Baptist Church for professional services broadly defined as the "Community Standards Initiative" (CSI).
2. I first became aware of the Community Standards Initiative (CSI) when it was broadly proposed by community member Al Flowers in public delegations at a Board meeting during the 2011-12 school year. As I recall, a shooting incident in North Minneapolis had created a great deal of student unrest and concern at Edison High School at that time. Mr. Flowers proposed that he, along with his colleague Lissa Jones (former director of African American Family Services) and other community members could be helpful in enhancing safety in the school and community through student assemblies and direct contact with students and families. He further proposed that CSI would create a community-driven response to improved school/community climate and student achievement through a collaborative partnership with the school district (MPS), City of Minneapolis, Minneapolis Park and Recreation Board (MPRB) and Hennepin County. MPS and MPRB did provide short term funding. Mr. Flowers and Ms. Jones met with Edison staff and offered services (student assemblies, meetings and community outreach), which I believe were provided over a period of a few months.
3. Early in 2012, Mr. Flowers and other community members had multiple conversations with me, other board members and MPS staff. He appeared at a number of board meetings advocating that the CSI initiative should be expanded district-wide. A number of community members, including many leaders from community organizations, parents, students and teachers joined him in expressing support for the development of CSI as a community engagement program. At that time, I expressed concerns with Mr. Flowers and others that the concept lacked detail, was too large and had no apparent organizational capacity for the district to support the initiative. Those concerns were addressed with further programmatic definition, the addition of professional mental health services, a narrowing of scope to primarily North Minneapolis school communities and a credible fiscal agent. Clarence Hightower, Minister/Director of New Bethel Missionary Baptist Church (and current executive director of Community Action Partnership of Ramsey & Washington Counties and former President/CEO of the Minneapolis Urban League) stepped up to lead the effort to develop CSI. In mid-2012 I recall that a proposal for CSI services was delivered to Superintendent Johnson by New Bethel.
4. In August 2012, Dr. Johnson publically acknowledged Mr. Hightower and the CSI proposal and expressed agreement with the CSI concept. She also articulated concerns about the

"sustainability of the overall initiative" and that "other community partners -- government and non-profit organizations -- must be at the table coordinating and collaborating. MPS is more than willing to be part of such an effort." I, along with other board members, encouraged Dr. Johnson to stay at the table.

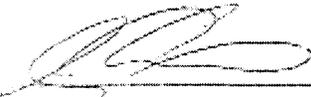
5. During the 2013 legislative session, I became aware of State Senator Jeff Hayden's interest in CSI and also learned of his and Senator Bobby Jo Champion's advocacy for a bill that would support CSI directly with state funding. I recall having 3-4 direct personal conversations with Senator Hayden during those months on a number of topics involving community issues including CSI. I don't recall any direct conversation with Senator Champion at the time other than sharing greetings at events that we both attended. At no time in any of those conversations with me did Senator Hayden or Senator Champion threaten to withhold state aid to Minneapolis Public Schools if the District did not approve the CSI contract. They also never indicated to me that their active support of Minneapolis Public Schools funding was contingent on the CSI grant. Further, no other MPS board member reported to me any threat or intimidation.
6. It is my understanding that MPS staff stayed at the table throughout 2013, working to develop a performance-based contract for CSI services with New Bethel. I, as well as a number of other school board members, encouraged Dr. Johnson and staff to negotiate a robust and accountable community engagement that resulted in stronger academic outcomes and improved school climates. We expected that any contract would be clear and cancellable if outputs and outcomes were not achieved in a timely fashion.
7. In April 2014 I was informed by Dr. Johnson that she was prepared to recommend a performance based contract for CSI services. Many community members, including Senator Hayden, spoke directly to me of their support and offered to attend the meeting where it was to be acted upon by the board. On May 8, I recall inquiring of staff as to the support of affected school principals and of the district counsel as to the appropriateness of adding the professional services contract to the consent agenda for the May 13, 2014 meeting. Between May 8 and 13, I had direct conversations with most, if not all, board members and alerted them to the presence of the recommended contract. No one suggested that the item be removed from the consent agenda or moved to do so. I decided to keep the contract on the consent agenda because we had a number of other agenda items to discuss that evening. A public display of support for CSI did not appear necessary nor helpful to the board's deliberation. The New Bethel/CSI contract was approved unanimously by the 8 board members in attendance at the May 13, 2014 meeting.

8. In conclusion, please recognize that this Minneapolis School Board has repeatedly asked our staff to nurture and promote greater community engagement in finding solutions for our low performing schools and advancing the academic performance of all students. The contract with New Bethel Church was consistent with that mandate. We expect – and welcome – feedback and advocacy from all segments of our community.

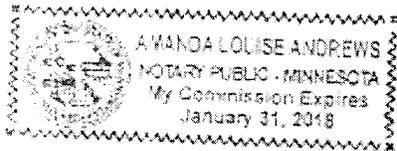


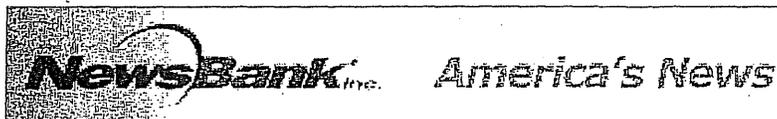
Subscribed and sworn to before me this

4 day of November 2014



Notary Public





North Side school effort called failure - District says consulting group not hitting its goals.

Star Tribune: Newspaper of the Twin Cities (Minneapolis, MN) - Friday, September 12, 2014

Author: ALEJANDRA MATOS; STAFF WRITER

Minneapolis public school officials plan to stop payment on a \$375,000 contract with an organization that they say has not fulfilled its pledge of working with students and parents in the North Side's most struggling schools.

The group, Community Standards Initiative (CSI), "has yet to meet its goals and ... is not on track to meet its obligations," said Stan Alleyne, a school district spokesman. "We will not pay them additional funds if they are unable to fulfill the terms of the contract."

School officials awarded the contract in May, without competitive bid, to CSI, a nonprofit organization run by community activists Al Flowers and Clarence Hightower. They got the contract after strong lobbying by DFL state Sens. Bobby Joe Champion and Jeff Hayden, who serves as deputy majority leader in the Senate.

One source said Hayden and Champion threatened to withhold state aid if Minneapolis school officials did not approve the contract.

Alleyne confirmed "we had members of the [local legislative] delegation that reached out to us, urging us to support the work of CSI."

Hayden said Thursday the idea that he and Champion bullied or threatened the school district is "inappropriate language to use."

The district's decision has created a clash with an organization run by two of the North Side's most well-known and politically connected community activists. Hightower is pastor of New Bethel Missionary Baptist Church and the executive director of the Community Action Partnership of Ramsey and Washington Counties.

School officials plan to meet with CSI officials later in September to discuss the contract.

Hayden said the district should not be premature in making statements about CSI's performance.

"I would hope the district is a willing partner to make this initiative a success," he said.

CSI formed to address the district's vast achievement gap for black students. Hightower is the registered leader of the organization, which he runs through his church. The organization has no website, office or phone number.

In the community, Flowers has been the public face of the organization. He is currently embroiled in an issue with the city after alleging misconduct during his arrest in July when police were checking on his daughter for violating the terms of her electronic home-monitoring. Flowers' attorney is Champion, one of the senators at the center of the controversy over CSI.

Hightower did not return several phone calls seeking comment. Flowers said he does not want to get "in the middle" of the district's allegations.

"We have a ton of kids that are failing and we have to work together to save the African-American kids," Flowers said.

In a quarterly summary, CSI acknowledged there have been struggles. "As with any implementation of a new program, we continued to encounter and address several road blocks and obstacles within each school," the summary said.

Started at the Legislature

This latest CSI contract actually got its start at the Capitol.

Hayden said Hightower and several others, including Flowers and Larry McKenzie, a North Side community leader and former basketball coach, asked Hayden to introduce a separate measure that would give CSI money to address the district's achievement gap between white and minority children.

During state budget negotiations in the spring of 2013, Champion and Hayden proposed to take a sliver of the district's state aid for the organization.

But Hayden said the district did not want to lose any funding, so school officials agreed to oversee the contract themselves.

At the time, school officials continued to raise concerns about the project.

The superintendent's leadership team repeatedly met with Hightower and others to craft a workable proposal.

Last November, the team made a recommendation to Superintendent Bernadeia Johnson to "not issue CSI a contract at this time," and instead offer them a chance to compete for the money.

"Significant concerns remain across the leadership team about the comprehensiveness and quality of proposed programming, and capacity of the CSI organization for delivering on the program," the document said. "There is no clear evidence that CSI can articulate or demonstrate what they will be doing in our schools, even with significant support from several MPS staff throughout the process."

But Johnson did not end the chance for a contract. Instead, the district in February spent \$30,000 to hire a program manager to help CSI create a concrete plan, something that district officials say is extremely rare.

"Throughout the process we expressed concerns about the large scope of work and the need for expertise from other governmental bodies and organizations," Alleyne said. "We realized the goals of CSI are ambitious, but we were hoping that the people and groups who are deeply connected to our communities could help us lead change and improvements."

CSI's job was to work with three schools, Lucy Laney, Bryn Mawr and Henry High School. Each month, for the next two years, CSI had specific goals to meet around community engagement, health and wellness, school intervention and youth development.

In May, CSI received its first payment of \$46,875. That month, the group was expected to conduct one after-school session at each of the three schools to recruit parents and students.

It was required to identify 15 students per school who needed mental health referrals, in addition to enrolling 100 students per school in conflict-resolution training, mental health services and youth development.

Each month thereafter, CSI has similar goals. The group was supposed to turn in monthly reports detailing its work. Only one report had been submitted as of Aug. 29, which it labeled a quarterly summary.

It details CSI's problems with accessing students at the three schools and the difficulty of enrolling kids at schools that did not have summer school programs.

CSI says it organized various community events and joined previously scheduled summer school activities to meet students and parents.

The group currently claims to have 63 students enrolled in its program, but the contract required 450 students by the end of August.

CSI has a scheduled payment for another \$46,000 in September. Alleyne said the district will not be issuing a payment unless CSI can prove it fulfilled the terms of the contract.

Money requested

CSI has asked the district for money every year since 2011. The group initially wanted more than \$300,000 in 2011

to establish values and "standards of behavior" in all 87 neighborhoods and reward those who modeled that behavior at home, in parks, schools and within the community.

In a presentation to the district, Flowers said the group would establish behavior standards of young people, then reward those who were modeling those behaviors.

Students who were positively contributing to the community or school would be given incentive from local businesses that had partnered with CSI.

"It didn't have the focus needed to award that kind of money," Alleyne said.

Nonetheless, the district awarded \$15,000 to CSI to develop and implement "a positive behavior incentive program for young people" in Minneapolis. CSI also received \$15,000 from the Park Board.

CSI was required to turn in bimonthly reports detailing its work and outcomes.

"Unfortunately we do not have any details or documentation from 2011," Alleyne said.

Rebecca Gagnon, one of the CSI's strongest advocates on the school board, said she is disappointed that the group has not met its goals.

"This is a really important piece to making our schools better. I hope that this is not the case," she said. "I hope there is some kind of miscommunication."

Alejandra Matos • 612-673-4028

Caption: Minneapolis public school officials plan to stop payment on a \$375,000 contract with an organization that they say has not fulfilled its pledge of working with students and parents in the North Side's most struggling schools. The group, Community Standards Initiative (CSI), "has yet to meet its goals and ... is not on track to meet its obligations," said Stan Alleyne, a school district spokesman. "We will not pay them additional funds if they are unable to fulfill the terms of the contract." School officials awarded the contract in May, without competitive bid, to CSI, a nonprofit organization run by community activists Al Flowers and Clarence Hightower. They got the contract after strong lobbying by DFL state Sens. Bobby Joe Champion and Jeff Hayden, who serves as deputy majority leader in the Senate.

Edition: METRO

Section: NEWS

Page: 01A

Index Terms: Minneapolis

Record Number: MERLIN_30846489

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MINNPOST

This content is supported by a grant from the Bush Foundation.

Black leaders' letter calls for outside probe of MPS' Al Flowers contract

By Beth Hawkins | 10/09/14

Dissatisfied with answers on the record to date, a group of African-American leaders has called on Minneapolis Public Schools (MPS) to answer questions regarding no-bid contracts worth \$405,000 awarded to a controversial community group in May.

In an open letter to state and district officials [PDF], the Black Education Advocates called for a third-party investigation into the district's decision to award the contract to the Community Standards Initiative (CSI), an effort led by activists Al Flowers and Clarence Hightower.

Superintendent Bernadeia Johnson has yet to address the matter publicly. Thursday's letter called on her and MPS board members to explain why the contract was placed on the school board's consent agenda, which by law is supposed to contain routine business matters that don't merit public discussion.

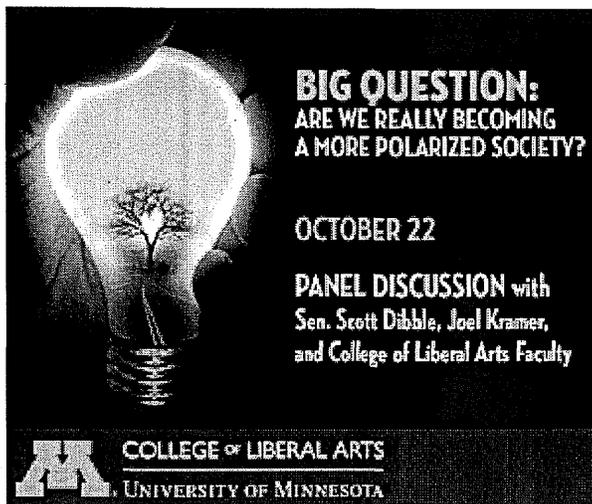


MinnPost file photo by Craig Lassig

Al Flowers

“The CSI contract matter clearly warrants a full, independent, third-party investigation and an evaluation of the circumstances by which other contracts have been awarded by MPS in previous months and years,” the letter states.

“The public should also be made aware of the role that each school board member played in lobbying for the CSI contract and approving said contract,” it continued. “Finally, we would like to



see a robust evaluation of district policies in awarding contracts and greater levels of transparency and accountability inserted into the process.”

MPS leadership could not be reached for comment by press time; responses will be appended to this story as they become available.

Senate ethics probes sought

Separately this week GOP state Senate leaders called for ethics probes into allegations that Minneapolis DFLers Bobby Joe Champion and

Jeffrey Hayden threatened to hold up state aid if the contract was not issued.

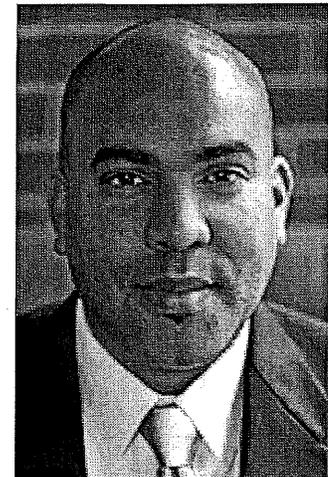
And Sunday angry community members staged a protest outside the New Salem Baptist Church, where a gathering was under way to support the senators. Protesters called the agreement “hush money.”

Champion and Hayden have said they supported CSI’s work but object to characterizations that they strong-armed district leaders. Attorney Champion was representing Flowers in the wake of a highly publicized July encounter with police.

Flowers’ group, which had no phone number, website or legal structure, said it wanted to promote positive behavior in schools and neighborhoods. District leaders warned Johnson that CSI was unable to describe its plan, and lacked capacity to do the work.

The signatories to Thursday’s letter also asked why the district did not act in the six weeks between a MinnPost story revealing the contract’s existence and a September Star Tribune story outlining CSI’s failure to comply with its terms.

The letter was signed by Nekima Levy-Pounds, a professor at the University of St. Thomas Law School and director of the Community Justice Project, former school board member Chris Stewart and leaders of the organization Students for Education Reform, among others.



Chris Stewart

MPS team didn't support CSI arrangement

A year ago the MPS leadership team urged Johnson not to enter into an arrangement with CSI, noting that the organization could not “articulate or demonstrate what they will be doing in our schools” despite support from district staff. In February, MPS spent \$30,000 on a program manager to help CSI develop a plan.

Community members began asking questions about the district’s relationship with CSI after Flowers’ July altercation with police. A longtime critic of the district, Flowers had been seeking the money for three years.



Nekima Levy-Pounds

In April 2013, board member Rebecca Gagnon spoke in favor of funding for CSI at the state Legislature. In the September Star Tribune story announcing MPS’ decision to terminate the contract, she expressed disappointment, saying she hoped there had been a miscommunication.

Board members did not discuss the consent agenda at their May meeting, but it is clear from MinnPost’s interviews with ranking district officials before this publication’s July 30 story divulging the contract’s existence that other board members were aware of the agreement.

There are few clues in a document posted to Insight News, represented to be a transcript of MPS responses to questions from the Star Tribune. The responses say that CSI was not awarded a contract in 2011 because its work was not aligned with district priorities and the program was unsustainable.

“Throughout the process we expressed concerns about the large scope of work and the need for expertise and support from other governmental bodies and agencies,” the talking points said in response to a question about the 2014 contract.

One \$46,000 payment was made

In the wake of the revelations, other community groups have expressed outrage at the size of the contract, against which one \$46,000 payment was made. Adding insult to injury, many also questioned why, in a budget approved at the same May board meeting, MPS dedicated half as much to the long-sought Office of Black Male Student Achievement.

In August the state Department of Education issued results from 2014 assessments that showed no progress in academic proficiency among the district’s African-American students; 19 percent of them passed math tests and 21 percent reading.

At some north Minneapolis schools, black male proficiency rates are in the single digits, the letter noted.

“Results like these demand leadership that is competent, focused, and honest,” it said. “It is a crying shame that while adults play political games for self-enrichment and to increase their personal influence, Minneapolis students are suffering and their potential is being stifled

“We need to know if elected leaders threatened the withholding of funding from the public schools, and if the superintendent gave away nearly \$400,000 to a non-existent program that her staff warned against funding.”

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MINNPOST

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MPS leaders' affidavits shed light on chronology of no-bid CSI contract

By Beth Hawkins | 10:22 am *Nov. 6, 2014*

Amid a flurry of parliamentary kickboxing at the Capitol Wednesday afternoon, a credible, logical version of events concerning Minneapolis Public Schools' (MPS) granting of a huge no-bid contract to a longtime district critic finally emerged.

If affidavits supplied by district leaders are to be believed, the chronology of events surrounding the awarding of a \$375,000 contract to the ill-defined Community Standards Initiative (CSI) still reeks. But at least it makes some sense.

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In the story revealed during a standing-room-only Senate hearing, MPS leaders had reason to fear the disappearance of a vital \$15 million integration revenue stream from the state and tried to engineer a CSI contract that contained safeguards to protect the district.

The details of the deal were likely known to all board members as well as numerous senior staffers. Lawmakers from Minneapolis and elsewhere have long felt free to approach MPS with their "efforts or causes," and community

groups have long sought a seat at the table in terms of providing services in schools.

Advocacy and pushback described

The version of events put forth in the affidavits places Minneapolis DFLers Bobby Joe Champion and Jeff Hayden in numerous meetings with MPS leaders in which the lawmakers' concerns that no contract had been cut were countered by staff concerns that CSI could not deliver.

Champion and Hayden have vehemently denied claims they threatened MPS officials or sought to enrich friends and family members. Whether the Senate will shed light on these questions remains to be seen; at least as much partisan posturing as fact-finding has been on display.

The documents also cite a number of noncontroversial, important MPS programs lawmakers found funding for, potentially explaining why district leaders have been slow to answer questions about the back and forth.

With the DFL in charge of both legislative chambers numerous pockets of tension on education policy and funding have threatened to pit urban and rural interests against one another. This is potentially one more reason the city's school officials and its statehouse delegation might, as the documents state, prefer to disagree in private.

No website, no legal structure

In July, MinnPost revealed the existence of the contract, given to an organization with no website, telephone number or legal structure founded by community activist and longtime district critic Al Flowers. Beyond the promotion of positive behavior in city schools and neighborhoods, the Community Standards Initiative never articulated a plan.

After the Star Tribune raised further questions six weeks later, district leaders ended the contract. Despite a groundswell of public anger, to date there has been no full accounting of what happened.

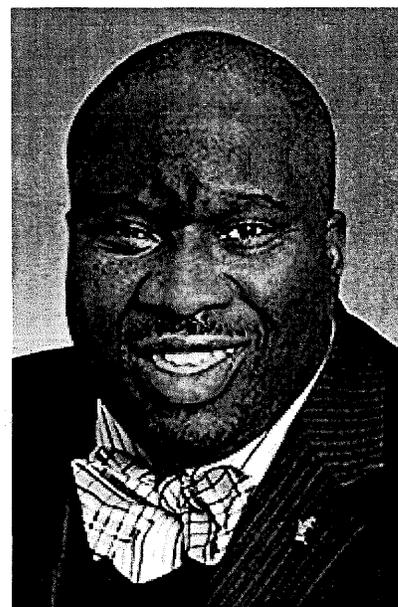
The first cogent account of the saga was revealed during a state Senate ethics hearing called last month by GOP lawmakers seeking to determine whether Hayden and Champion misused their influence.

After a hearing two weeks ago, lawmakers sent a questionnaire [PDF] to 18 MPS leaders, including all nine board members and Johnson's executive team. The details sought are far more specific than anything MPS leaders have put on the record to date.

Illuminating accounts

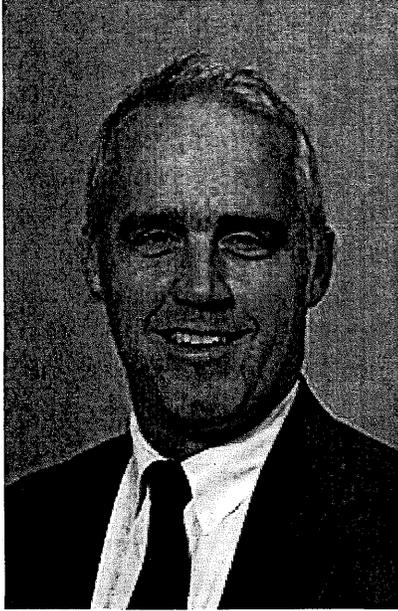


Sen. Bobby Joe Champion



Sen. Jeff Hayden

Tuesday MPS General Counsel Steve Liss replied with three affidavits from Johnson, board Chair Richard Mammen and, potentially most illuminating, district lobbyist Jim Grathwol [PDF]. The accounts depict a superintendent and legislative liaison pushing back — albeit gently — against political pressure and ultimately taking steps to protect district resources.



James Grathwol

Grathwol's account sheds the most light. During the 2013-2014 legislative session he was tracking a measure introduced by Hayden to award a grant to the state Department of Education for the district to work with CSI. The House version of the bill was heard in April 2013.

The proposal was not part of the district's legislative agenda and was not included in the omnibus E-12 education finance bill — the umbrella bill containing everything that will go into the overall budget — that was heard in the Senate.

“During the hearing, senators Champion and Hayden approached me with an amendment to the Senate E-12 finance bill that Sen. Champion wanted to offer,” Grathwol's affidavit explains. “The amendment proposed reserving \$1 million of MPS' integration revenue for a grant to CSI of \$500,000 in

each year of the biennium.”

Concerns about integration revenue

At the time, the state's integration revenue — money used to offset segregation and to close the achievement gap — was among the most politically endangered items on the legislative agenda. DFL control of both chambers notwithstanding, it was unclear they could hold back an effort to end the funding.

If MPS agreed to Hayden's and Champion's deal, both Grathwol's and Johnson's affidavits made clear, the district would lose not only the \$1 million at question but any control over whether CSI used it appropriately. They were also concerned the entire funding stream was at risk.

“Superintendent Johnson appreciated the risk the proposed amendment posed to reinstatement of integration funding and revenue available to MPS,” Grathwol continued. “The superintendent agreed to reserve a portion ... to grant out to

community based organizations, inviting CBO's to support our work closing the achievement gap. ... CSI could actively participate in this process.

"In exchange for this commitment on the part of the superintendent," he added, "Sen. Champion and Sen. Hayden dropped the amendment."

Interest persisted after the session

They remained "very interested after the 2013 legislative session to see that the process resulted in a contract for the CSI initiative." Over the next year, Grathwol said, there were numerous meetings of district staff and the lawmakers.

Both Grathwol's and Johnson's affidavits characterize the district's posture in those meetings as pushing back by insisting that any contract had to be "meaningful and accountable."

"I believed that funding this project through a contract would be preferable that [sic] a direct appropriation to an organization," Johnson's affidavit asserts. "A contract would allow greater district involvement in setting the project goals and in assuring accountability."

Or, as Grathwol put it: "I recommended and the superintendent chose to redirect the senators' advocacy in favor of CSI away from the Senate Finance Committee and toward a superintendent's commitment to manage a contract process for community based organizations."

Members told of consent agenda item

According to his affidavit, board Chair Mammen had conversations "with most, if not all, board members and alerted them to the presence of the recommended contract. No one suggested that the item be removed from the consent agenda or moved to do so.

"I decided to keep the contract on the consent agenda because we had a number of other agenda items to discuss that evening," Mammen continued. "A public display of support for CSI did not appear necessary nor helpful to the board's deliberation."



Bernadeia Johnson

The term public display is ironic, albeit unintentionally: Eight years ago a differently configured board endured months in which CSI founder Flowers brought one meeting after another to a halt with angry catcalls from the back of the room.

While doubtless carefully phrased, the accounts detailed in the affidavits jibe with the chronology circulating among district insiders.



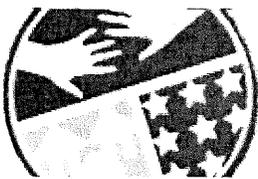
Richard Mammen

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School board's approval of \$375,000 contract for Al Flowers-related group drawing questions

BY BETH HAWKINS | 07/30/14

The founder of the Community Standards Initiative is community activist Al Flowers, an MPS critic whose name is in the headlines this week.



LEARNING CURVE

Black leaders' letter calls for outside probe of MPS' Al Flowers contract

BY BETH HAWKINS | 10/09/14

The letter calls on MPS leaders to explain why the contract was placed on the school board's consent agenda, which by law is supposed to contain routine business matters.

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ABOUT THE AUTHOR:



Beth Hawkins

Beth Hawkins writes Learning Curve, a blog about education, for MinnPost and also covers a variety of other public policy topics.

COMMENTS (1)

Where's Freeman?

SUBMITTED BY THOMAS BECKFELD ON NOVEMBER 6, 2014 - 10:51AM.

It should also be noted that Champion is Flowers lawyer. You have to wonder why County attorney Freeman is not investigating this matter. Was Champion also CSI's lawyer or paid by CSI?

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Actions of state Sens. Hayden, Champion raise conflict-of-interest questions

Article by: Editorial Board

Star Tribune

April 17, 2015 - 12:15 AM

State Sens. Jeff Hayden and Bobby Joe Champion have been in the news lately — and not for good reasons. One or both of the Minneapolis DFLers have been linked with various situations that raise conflict of interest and ethics questions. In recent years:



State Sens. Jeff Hayden and Bobby Joe Champion.

GLEN STUBBE • Star Tribune; Minnesota Legislature,

- They pushed (too vigorously, some alleged) for funding for Community Standards Initiatives (CSI), a group that said it could help more low-income African-American students graduate. The Minneapolis School District paid CSI a portion of a possible \$375,000 before terminating the contract when the group failed to deliver.
- Hayden, who is deputy majority leader of the Senate, served on the board of Community Action, a 25-year-old nonprofit that served low-income families. It is now under scrutiny for questionable spending.
- More recently, reports surfaced that the pair urged funding for two Minneapolis Urban League education programs that failed to fulfill their purpose.

Investigations of each of these matters are underway. The Senate is conducting an ethics probe into whether Hayden and his wife improperly accepted trips from Community Action while serving on its board. The senator's father, longtime community activist and nonprofit director, Peter Hayden, was also on the boards of two of the scrutinized groups.

This week, the state's legislative auditor agreed to investigate whether the nonprofit Urban League double-billed the state and the Minneapolis School District for education programs that received more than \$1 million in public funds since 2013.

The cumulative effect of these messy situations casts a cloud over Hayden's and Champion's judgment.

The senators are not the first — nor likely to be the last — elected officials to be entangled in such issues. Several lawmakers over the years seem to have lost their way where their associates and interests were personally involved in public policy and taxpayer funding decisions. This Editorial Board has taken others to task, on both sides of the aisle, for pushing ethical boundaries. Several have believed, for example, that it is somehow all right to work as lobbyists seeking public dollars while holding public office.

The argument often is "well, it's perfectly legal." But lawmakers must always be vigilant about avoiding even the appearance of impropriety. They must be keenly aware of how it is perceived when relatives, business associates, close friends or their employers can benefit financially from policy decisions they influence.

The senators declined to speak with an editorial writer this week, but their spokeswoman sent several background documents about how the program funding requests moved through the Legislature and school district.

In a counterpoint published on our pages in September, they wrote that they believe the programs whose funding they've supported have "the right idea" about how to remedy "the chronic disparity in academic achievement among students of color in Minneapolis ..."

We're not prejudging the results of the pending investigations. And concerns about the senators' judgment in these situations don't negate other good work they've done for their communities and constituents over the years. Still, the public expects those who decide how taxpayer dollars are spent to steer clear of potential conflicts of interest.