

Minnesota Senate
Subcommittee on Ethical Conduct

Probable Cause Hearing
Regarding Senator Jeffrey Hayden
October 22, 2014

Senator Hayden's Exhibits

Community Standards Initiative

- **No Personal Gain**
 - *No Family or Business Connection*
 - *Dr. Hayden*
- **No “Threats” “Bullying” or “Extortion”**
- **Legislative Process and Negotiations**
- **Cannot Rely on Newspaper Article for Ethics Complaint**

Community Action Minneapolis

- **No Personal Gain**
 - *No Per Diem or Cash Payments*
 - *No Facts Regarding Senator Hayden in the Audit or Articles*
- **Volunteer Time**
- **Reimbursed for Some But Not All Expenses**
 - *Paid All Personal Expenses*
- **Board Designee Pursuant to Federal Law**
- **Not on Executive or Finance Committees**
- **Wipfli Audits**

Public Officials on Community Action Boards

The members of the board referred to in paragraph (1) shall be selected by the entity and the board shall be composed so as to assure that - (A) 1/3 of the members of the board are elected public officials, holding office on the date of selection, *or their representatives*, except that if the number of such elected officials reasonably available and willing to serve on the board is less than 1/3 of the membership of the board, membership on the board of appointive public officials *or their representatives* may be counted in meeting such 1/3 requirement....

42 U.S.C. § 9910, subd. (a)(2) (emphasis added).

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 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).

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 E

Dr. Hayden Letter to Star Tribune

Dear Star Tribune,

The Star Tribune did not accurately report my relationship with Community Standards Initiative ("CSI") in its articles dated August 19 and September 24, 2014.

Like many others, I am troubled by the violence in our community and am committed to creating positive change in North Minneapolis. For that reason, I was happy to join community activists and representatives of the Minneapolis Police Department, when CSI began an initiative late this summer to identify and implement programs to reduce violence. My involvement with CSI is no different from my collaboration with a number of other organizations working to improve lives in North Minneapolis including the Hennepin County Sheriff's Department, Protect MN, Shiloh Temple and MPD Public Safety Department.

To be clear, I am not, and never have been, an employee or board member of CSI. I have never had a contractual relationship with CSI and have never received any compensation from CSI. My role is simply an engaged citizen working with this and other organizations to affect change in our community.

I am disappointed that my attempts to clarify my role with CSI have been ignored.

Thank you.

Sincerely,

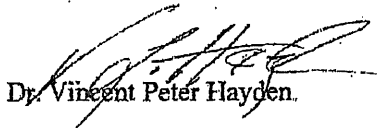

Dr. Vincent Peter Hayden.

EXHIBIT F

MPS Interview

www.insightnews.com/extra/mps_transcript.pdf

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.

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?

Wipfli

Get the Facts About Wipfli

An Overview of Who We Are and What We Do

A multi-discipline professional services firm

- 148 partners
- 1200+ associates
- 22 US offices
- 2 India offices
- 6 industry focuses
- ONE firm**

With more than 1,200 associates and 24 offices in the United States and India, Wipfli LLP (Wipfli) ranks among the top 25 accounting and business consulting firms in the nation. Wipfli is also a member of PKF North America, which is a member of PKF International the tenth largest global accounting network in the world.

We enjoy a solid reputation as industry experts and as a trusted business advisor to more than 30,000 clients including: manufacturing companies, construction companies, contractors and developers, real estate companies, health care organizations, financial institutions, insurance companies, nonprofit organizations, units of government, dealerships, and individuals.

The firm serves businesses of various sizes, from large public and private companies, to closely held family-owned businesses. Whether we're helping clients streamline processes, improve performance, leverage the right technology, or increase financial success, we offer innovative, effective, and personalized services to help clients overcome their business challenges today and plan for tomorrow.

Our areas of focus

Our services focus on improving the key components of every successful organization:

- Process and performance management
- Human resources
- Operations and organization structure
- Systems and information technology
- Marketing, sales, and customer service
- Capital and financial strength

Our team approach

You can rely on a consistent, cohesive, and dedicated team of service professionals and industry-focused experts who draw from a wide range of collective knowledge and experience. With Wipfli's particular focus on specific industries, members of many of Wipfli's industry-focused teams meet regularly to discuss best practices, industry issues, and updates. These meetings ensure that our associates continue to provide clients with exceptional expertise and service. Clients tell us our associates are a pleasure to work with, and they appreciate the time associates take to understand their individual circumstances. Our partners also commit significant efforts to engagements, further ensuring customer satisfaction.

Team members arrive at Wipfli with considerable experience and knowledge, and they continue to develop their skills through at least 40 hours of continuing professional education each year.

Recognizing the critical importance of engaged and satisfied associates, we regularly monitor and work to improve the engagement level of all associates.

- 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.

Strategic Planning Session



Board of Directors Strategic Planning Session PRELIMINARY AGENDA

June 3-5, 2011
Arrowwood Resort & Conference Center

Friday, June 3, 2011

| | | |
|---------|----------|----------------------|
| 4:30 pm | Check-in | Arrowwood Front Desk |
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Saturday, June 4, 2011

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|----------|----------|--------------------------|-------------|
| 7:00 am | 8:45 am | BREAKFAST | Lake Café |
| 9:00 am | 10:15 am | Meeting | Boardroom 2 |
| 10:15 am | 10:30 am | BREAK | |
| 10:30 am | 12:00 pm | Meeting | Boardroom 2 |
| 12:00 pm | 1:30 pm | BOARD MEETING LUNCHEON | Lake Café |
| 1:45 pm | 3:30 pm | Meeting | Boardroom 2 |
| 3:30 pm | 3:45 pm | BREAK | |
| 3:45 pm | 5:30 pm | Meeting | Boardroom 2 |
| 6:00 pm | 8:00 pm | DINNER (at your leisure) | Lake Café |

Sunday, June 5, 2011

| | | | |
|----------|----------|-------------|-------------|
| 7:30 am | 9:00 am | BREAKFAST | Lake Café |
| 9:00 am | 10:15 am | Meeting | Boardroom 2 |
| 10:15 am | 10:30 am | BREAK | |
| 10:30 am | 12:00 pm | Meeting | Boardroom 2 |
| 12:00 pm | | Adjournment | |