

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF RAMSEY

SECOND JUDICIAL DISTRICT

Case Type: Civil Other

Court File No. _____

In re the Matter of Community Action of
Minneapolis, Inc.

**AFFIDAVIT OF ERIN SULLIVAN
SUTTON IN SUPPORT OF THE
PETITION TO APPOINT RECEIVER BY
THE MINNESOTA DEPARTMENT OF
HUMAN SERVICES**

STATE OF MINNESOTA)
) ss
COUNTY OF RAMSEY)

I, Erin Sullivan Sutton, being first duly sworn, deposes and says as follows:

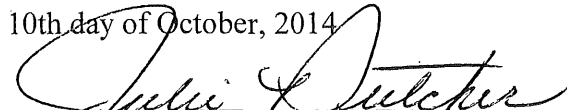
1. I submit this affidavit in support of the Petition to Appoint Receiver by the Minnesota Department of Human Services.
2. I am the assistant commissioner who oversees the Children and Family Services administration at the Minnesota Department of Human Services ("Department"). My administration contains the Office of Economic Opportunity, which administers and monitors state and federal funding aimed at eliminating the causes and effects of poverty, including federal and state community action funding.
3. I am aware of and have read the audit report issued by the Department's internal audits office on August 12, 2014, which analyzed Community Action of Minneapolis' activities and expenditures and found numerous deficiencies and problems. (Exhibit A of Gary L. Johnson Affidavit).
4. Based on the audit report's findings, and the lack of appropriate response from Community Action of Minneapolis, I am aware that the Department gave Community Action of Minneapolis formal written notice of termination of cause on September 26, 2014. (Exhibit C of Gary L. Johnson Affidavit). The Department has terminated funding to Community Action of Minneapolis.
5. I know that the Minnesota Department of Commerce, which also had a grant contract with Community Action of Minneapolis, terminated its funding to Community Action of Minneapolis.

6. I learned through local media reports that several board members of Community Action of Minneapolis have resigned after the internal audit garnered significant public attention.
7. I believe that placing Community Action of Minneapolis into receivership is a proper course of action to protect assets possessed by the entity, based on the numerous and troubling findings in the internal audit report about the entity's finances and activities, the loss of funding from the Department and the Minnesota Department of Commerce, and the various media reports detailing Community Action of Minneapolis lack of leadership.
8. The Department is researching names of people who are knowledgeable about the operations of a community action agency and could potentially serve as the receiver for Community Action of Minneapolis. The Department will provide this information to the court when the court requests the information.

Further your affiant sayeth not.


ERIN SULLIVAN SUTTON

Subscribed and sworn to before me this
10th day of October, 2014


NOTARY PUBLIC

