



MINNEAPOLIS
PUBLIC SCHOOLS
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Office of the District General Counsel

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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

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

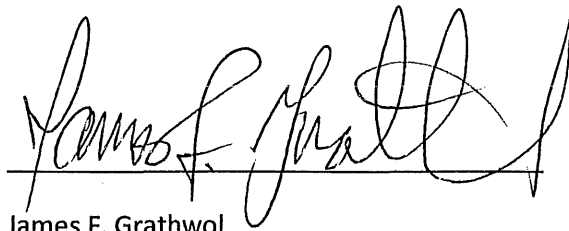
1. I first became aware of the Community Standards initiative at a public meeting attended by many MPS senior level staff in 2012. I am aware that the proponents of the initiative sought a grant from MPS through the office of Community Engagement.
2. I have routine and regular contact with Senator's 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.

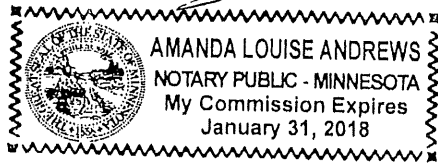
22. Continued advocacy on the part of the Senators, MPS board members, community members, and the Superintendent's genuine desire to partner with community organizations, resulted in an MPS investment of time, resources and technical expertise to develop a proposal from CSI.
23. The final proposal included 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 report 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.

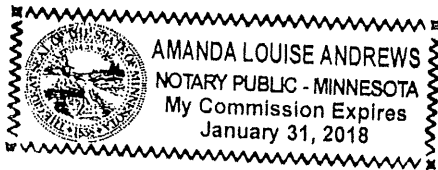
8. In conclusion, please recognize that this Minneapolis School Board has repeatedly asked our staff to nurture and promote greater community engagement in finding solutions for our low performing schools and advancing the academic performance of all students. The contract with New Bethel Church was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

Richard M. Manna

Subscribed and sworn to before me this

4 day of November 2014

[Signature]
Notary Public




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 than 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

4 day of November 2014



Notary Public

