

White Earth Reservation Business Committee

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News Release
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OGP gives report concerning Star Lake and Bagley Casino projects; Circle of Life Academy faces unverified test scores and \$1.1 million budget deficit

WHITE EARTH, MINN. – The Other Government Project (OGP) presented their Initial Findings and Recommendations Report concerning Star Lake and Bagley Casino projects today, (March 7) during a public White Earth Reservation Quarterly Council meeting at the Shooting Star Casino in Mahnommen, Minn.

OGP attorney Michael Garbow of Bemidji, Minn., presented a detailed report that demonstrated a breakdown in the oversight and management of tribal funds that resulted in millions of dollars being expended on purchases and payments that resulted in little or no benefit to the White Earth Band membership.

In order to avoid future situations like Star Lake and Bagley Casino projects, the OGP made the following recommendations:

1. Pass a resolution separating the White Earth Reservation Business Committee (RBC) from the Gaming Commission. This allows for more transparency and checks and balances for expenditures.
2. Pass a resolution requiring any expenditures over a certain amount to be shared with Band membership for their input and approval.
3. Pass a resolution forming a Commission regarding future financial ventures that has a mixture of community members and a neutral financial expert in order to provide guidance to the RBC.
4. Turn all OGP information and findings over to the FBI and the state's attorney general to determine if criminal charges are warranted.
5. Further recommendations to be made once the audits are completed on the other matters to which the OGP has been assigned to gather information and provide reports.

In addition to the OGP report, the interim Circle of Life Academy Superintendent informed the RBC of incorrect and unverified test scores and a \$1.1 million budget deficit at the school. Since the inquiry started, several staff members responsible for these issues and since resigned.

The official 2017/18 mid-year-school-wide Northwest Evaluation Association assessment data for reading was at 21% advanced/proficient and 24% advance/proficient for math. These scores were reported as 40% and 43% respectively, a difference of 19 and 17 percentage points to the Bureau of Indian Education. The incorrect and unverified test scores resulted in improved evaluations for teachers and non-teaching staff that led to pay increases.

Due to these pay increases, bonuses, school activities and for other unknown reasons, the school has a \$1.1 million deficit that could force the K-12 school to shut down this spring. However, at the direct request of Secretary-Treasurer Alan Roy, the RBC is donating \$1.3 million to the school to keep it open.

“As a nation, we will pay any price to protect our children,” said White Earth Chairman Terry Tibbetts. “Our nation has an obligation to its families to never let those who would manipulate education command the future course of life for our children.”

A detailed OGP report on the Star Lake and Bagley Casino projects and a letter explaining the Circle of Life Academy situation can be viewed on the White Earth Facebook page or on the White Earth website at www.whiteearth.com.



WHITE EARTH RESERVATION

CHAIR Terrence "Terry" Tibbetts **SECRETARY-TREASURER** Leonard Alan Roy
DISTRICT I Raymond Auginaush, Sr. **DISTRICT II** Kathy Goodwin **DISTRICT III** Eugene "Umsy" Tibbetts

Parents and students of Circle of Life Academy,

Today, March 7, 2019, Circle of Life Academy Superintendent Jenna Leadbetter and Mr. Brent Gish formally informed the Reservation Business Committee (RBC) of incorrect and unverified test scores and a \$1.1 million budget deficit at the school. The discovery of this information comes from several months of inquiry into the school's budget and student performance that was led by Mr. Gish. Since the initial inquiry started, several staff responsible for these issues have since resigned: Superintendent Ricky White, K-12 Principal Megan Meyers, and Education Director Mary Otto among others.

Upon request, staff and counselors will be made available to assist students affected by this situation. The Circle of Life Academy will discuss this matter with parents soon.

According to Superintendent Leadbetter and Mr. Gish, the incorrect and unverified test scores resulted in improved evaluations for teachers and non-teaching staff that led to pay increases. The exact mechanism for these payments and incorrect test scores is still being determined. In short, the inquiry seems to show the previous superintendent and other key staff may have knowingly received increased pay based upon incorrect data. Exact payment amounts and an inquiry into possible test score fraud will be audited by the Other Government Project (OGP).

The official 2017-18 mid-year-school-wide Northwest Evaluation Association assessment data for reading was at 21% advanced/proficient and 25% advanced/proficient for math. These scores were reported at 40% and 42% respectively, a difference of 19 and 17 percentage points, to the Bureau of Indian Education, the RBC, and Circle of Life Academy staff and students. The assessment data included the results of 170 K-12 students.

In addition to pay increases, several staff individually received tens-of-thousands-of-dollars in "other earned income," otherwise known as bonuses, associated with cultural programming, other-school-activities, and for other unknown reasons. A single year sampling of other earned income from calendar year 2017 shows that the previous school Superintendent received over \$35,000 in additional pay on top of a base salary of \$88,413.76, and a janitor that received over \$10,000 in additional pay on top of a base salary of \$29,763.56. Combined with a sampling of four other non-instructional staff from 2015-18, the additional pay (for six individuals only) totaled \$192,924. Schoolwide, initial reports indicate that \$1.2 million were expended through other earned income from 2015-18. In other words, funds were redirected from curriculum and classroom instruction into other earned income.

The described expenditures help explain the current \$1.1 million deficit that Circle of Life Academy currently experiences. Further, Mr. White's unmitigated expenditures over the years has been so severe that Superintendent Leadbetter and Mr. Gish have indicated that the school would close this Spring without assistance and that it would undergo mass layoffs because of the deficit. Rather than face this reality, Mr. White resigned from his position this past Fall which may have placed the school and its students in an untenable position. The RBC has determined this entire situation to be unacceptable, and at the direct request of Secretary-Treasurer Alan Roy, a \$1.3 million donation will be provided to the school. A donation of this magnitude from the RBC to Circle of Life Academy is the first of its kind. The school will be saved and so will our children's education.

Other actions and/or findings related to this inquiry include: staff lacking teaching licenses and/or eminence

credentialing will be reviewed for retention or reassignment, the school board will be reevaluated, and the RBC may seek civil judgement against those responsible and will forward criminal activity to appropriate authorities. Follow on reports will address the School Improvement Grant, highly qualified teacher requirements under the Every Student Succeeds Act, schoolboard responsibilities, and a 2016 Bureau of Indian Education audit. The RBC will work closely with the school to support students and its mission.

Our students have made progress which is good. A cohort of adults at the school misrepresented our students' progress for personal gain and that is bad. Based on the information gathered during the inquiry, the cohort seems to have knowingly reported incorrect data to students, families, and authorities. The true cost of these actions is the integrity of the education system and the harm that is has done to our students. The damage will be addressed, and the actions of the cohort will be reviewed for possible legal action. While the cohort will say that they love the school and students, their actions speak louder than their words. Misrepresenting information and using students for personal gain is disgraceful.

As a nation, we will pay any price to protect the future of our children. The excellence of our students will endure the inequities of men and women. The prime responsibility of our nation is to protect our children and we cannot shirk that responsibility because we are the only ones that can do it. Our nation has an obligation to its families to never let those who would manipulate education command the future course of life for our children.

All the people that are praying for Circle of Life Academy need to know that everything that can be done to help our students has been called to service. The students of Circle of Life Academy will overcome these setbacks because they are smart, strong, and resilient. We believe that the future our nation is in their hands, and we will provide them the tools to build that future.

Respectfully,

Terrence Tibbetts
Chairman