

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
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19
20
21
22
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MAINE STATE LEGISLATURE
GOVERNMENT OVERSIGHT COMMITTEE

TRANSCRIPT OF MEETING

CROSS OFFICE BUILDING

NOVEMBER 12, 2015

9:00 A.M.

PRESENT:

- SENATOR ROGER KATZ, SENATE CHAIR
- SENATOR CHRISTOPHER E. JOHNSON
- SENATOR DAVID C. BURNS
- SENATOR PAUL T. DAVIS, SR.
- SENATOR BILL DIAMOND
- SENATOR STAN GERZOFKY

- REPRESENTATIVE CHUCK KRUGER, HOUSE CHAIR
- REPRESENTATIVE MICHAEL D. McCLELLAN
- REPRESENTATIVE RICHARD H. CAMPBELL
- REPRESENTATIVE ROBERT S. DUCHESNE
- REPRESENTATIVE ANNE-MARIE MASTRACCIO
- REPRESENTATIVE DEBORAH J. SANDERSON

- BETH ASHCROFT, DIRECTOR OF OPEGA
- MATTHEW KRUK, SENIOR ANALYST, OPEGA
- ETTA CONNORS, ADMINISTRATIVE SECRETARY, OPEGA

- LINDA PISTNER, CHIEF DEPUTY ATTORNEY GENERAL

I N D E X

| | <u>WITNESS</u> | <u>PAGE</u> |
|----|--------------------|-------------|
| 1 | | |
| 2 | | |
| 3 | AARON CHADBOURNE | |
| 4 | Opening statement | 15 |
| 5 | Testimony | 19 |
| 6 | CYNTHIA MONTGOMERY | |
| 7 | Opening statement | 64 |
| 8 | Testimony | 67 |
| 9 | THOMAS DESJARDIN | |
| 10 | Testimony | 99 |
| 11 | SUZAN BEAUDOIN | |
| 12 | Opening statement | 181 |
| 13 | Testimony | 182 |
| 14 | RICH ABRAMSON | |
| 15 | Testimony | 193 |
| 16 | SARA VANDERWOOD | |
| 17 | Opening statement | 229 |
| 18 | Testimony | 229 |
| 19 | JAY NUTTING | |
| 20 | Opening statement | 243 |
| 21 | Testimony | 244 |
| 22 | BILL BROWN | |
| 23 | Opening statement | 254 |
| 24 | Testimony | 254 |
| 25 | | |

1 GREG POWELL

2 Testimony

290

3

4

5

6

7

8

9

10

11

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13

14

15

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1 SENATOR KATZ: Good morning, everybody. Welcome
2 to the Government Oversight Committee meeting. Thank you
3 for all for coming, dodging through the Augusta rush-hour
4 traffic to be here this morning, and we're going to start
5 with Committee introductions, starting on my far left with
6 Senator Gerzofsky.

7 REP. MCCLELLAN: That's all the time we had for
8 today. And I'm Rep Mike McClellan. You might know I live
9 in Raymond and I serve House Seat 66, which you might know
10 is parts of Raymond, Casco and Poland.

11 SENATOR DAVIS: Good morning. My name is Paul
12 Davis. I represent Senate District 4, which is all of
13 Piscataquis County and a good part of both Penobscot and
14 Somerset County. And you could put Senator Gerzofsky's
15 district in one corner of mine.

16 REP. DUCHESNE: Thank you. I'm Representative
17 Bob Duchesne, House District 121. I actually share part
18 of that beautiful part of Penobscot County, the town of
19 Alton with Senator Davis, also Argyle, Hudson, Corinth,
20 and Milford.

21 REP. KRUGER: Good morning, Chuck Kruger from
22 Thomaston, also representing other towns in District 92,
23 which would include St. George, South Thomaston, Cushing,
24 Matinicus, Crehaven. And I've also just added Punta Cana
25 in the Dominican Republic.

1 SENATOR BURNS: I can't top that. I'm Dave
2 Burns. I represent Senate District Number 6, which is
3 part of coastal Hancock County and all of Washington
4 County.

5 REP. MASTRACCIO: Good morning. I'm Anne-Marie
6 Mastraccio. I represent House District 18, which is part
7 of the city of Sanford.

8 REP. CAMPBELL: I'm Dick Campbell. I represent
9 District 130, which are the hardworking people in
10 Bucksport and Orrington.

11 SENATOR JOHNSON: Good morning. Senator Chris
12 Johnson, and I represent mostly Lincoln County at Senate
13 District 13 and mid-coast from the lovely offshore islands
14 and rivers and peninsulas all the way into the inland
15 towns of Windsor and Washing and Somerville.

16 REP. SANDERSON: Good morning. I'm Deb
17 Sanderson. I represent House District 88, which is
18 Chelsea, Whitefield, Jefferson, and the northern part of
19 Nobleboro.

20 SENATOR KATZ: Thank you. And I'm Roger Katz.
21 I represent Augusta, Oakland, China, Sidney and Vassalboro
22 in the Maine Senate. And we're also joined here today by
23 our director, Beth Ashcroft, our wonderful staffer, Etta
24 Connors, and -- excuse me, and also Matt Kruk from the
25 OPEGA as well who's worked hard on this matter. And also

1 here somewhere is Linda Pistner, there's Linda back there,
2 the Deputy Attorney General who's been of assistance to us
3 as well.

4 So the purpose of being here today is to gather
5 additional details and understandings of the events,
6 communications, explanations and impacts described in
7 OPEGA's information brief on state funding for Good Will-
8 Hinckley.

9 There are three statutes relevant to the inquiry
10 being conducted by us in this matter, which we will
11 follow. Those are the statutes governing the Legislative
12 Investigating Committee state, the OPEGA statute, and also
13 the Freedom of Access law.

14 We've conferred with Deputy Attorney General
15 Pistner on how those statutes relate to each other and
16 which govern the proceedings we are conducting.

17 The first thing we need to do is to talk about
18 whether testimony today should be taken under oath or not.
19 With respect to the two witnesses we have subpoenaed, the
20 answer is yes because the statute calls for that, but
21 there are a number of other witnesses we have invited to
22 be here today, and the question for the Committee to
23 discuss is whether or not that testimony should also be
24 taken under oath or whether two witnesses should be under
25 oath and the rest under oath. So I would open that for

1 discussion.

2 Senator Burns.

3 SENATOR BURNS: Thank you, Senator Katz. I've
4 given this some thought and I think that if we're going to
5 do it for one, we should do it for all today, so I would
6 recommend that everyone that speaks today be under oath.

7 REP. KRUGER: I would second that.

8 SENATOR KATZ: Is that a motion, Senator?

9 REP. KRUGER: Yes.

10 SENATOR KATZ: Moved by Senator Burns and
11 seconded by Representative Kruger that all testimony today
12 be under oath.

13 Is there discussion with respect to the motion?
14 Representative Sanderson.

15 REP. SANDERSON: Thank you. For the individuals
16 who just received a letter requesting that they come speak
17 to us so we could have the opportunity to answer
18 questions, I don't believe in that letter that there was
19 any mention of having them have to be under oath. I feel
20 a little funny about that now all of a sudden deciding as
21 a committee we are going to put them under oath. So I
22 just wanted to put that out there.

23 SENATOR KATZ: Beth.

24 DIRECTOR ASHCROFT: Senator Katz, I just would
25 remind you that in addition to the letter, all the

1 individuals that were invited to attend also received a
2 communication regarding the statutes that were going to be
3 governing this proceeding including the full Legislative
4 Investigating Committee statute, which describes and
5 discusses these points of procedure that the Committee
6 would need to determine.

7 So I -- while there was not expressed statements
8 of whether or not that would happen, certainly they were
9 given opportunity to review the fact that it would come up
10 for discussion.

11 SENATOR KATZ: Further discussion, Senator
12 Diamond.

13 SENATOR DIAMOND: Thank you, Mr. Chairman. I
14 don't think that it would make any difference whether
15 we're under oath or not because I think we get the same
16 information. So therefore, I think if we're starting with
17 the first two, I think it would be consistent to do it
18 with all. Thank you.

19 SENATOR KATZ: Further discussion?

20 (No audible response)

21 SENATOR KATZ: Seeing none, all in favor of the
22 motion to take all testimony under oath, please indicate
23 by raising your hand. Those opposed. I believe it is 11
24 to 1 with Representative Sanderson being in the minority,
25 so all testimony will be under oath.

1 The next thing for us to discuss is the order of
2 procedure for today, which we need to vote on, which I'm
3 going to suggest in just a moment, but before I do, let me
4 mention that this room is very crowded and that there is
5 an overflow room, which is the Health & Human Services
6 Committee room, which I believe is 209 down the hall here,
7 so anybody listening who would like to come down, there is
8 that overflow room.

9 So let me go through the kind of rules of the
10 game for today and we'll need a motion to adopt these if
11 -- unless have people have objections to any specific
12 ones.

13 First of all, all proceedings and testimony will
14 be held in public session and will be broadcast over the
15 internet and available to televising and filming as is
16 normal protocol and required under the freedom of access
17 law, with the exception of possible executive sessions for
18 the purpose of the GOC consulting with our attorney on our
19 legal rights and duties under Title I, Section 405 and
20 6(e) or for other purposed allowed under Title 3, Chapter
21 21.

22 Next, all subpoenaed and now all witnesses will
23 be placed under oath prior to the taking of their
24 testimony.

25 Next, all witnesses will then provide any

1 records they have with them prior to testimony being
2 taken. The testimony will be taken in the following
3 order: Aaron Chadbourne, Cynthia Montgomery, Thomas
4 Desjardin, Suzan Beaudoin, Rich Abramson, Sandra, excuse
5 me, Sara Vanderwood, Jay Nutting, William Brown and
6 Gregory Powell.

7 Next, all questions to the witnesses will come
8 from GOC members, Government Oversight Committee members,
9 or staff, in this case, our director, Beth Ashcroft. Any
10 staff questions will be posed through the Chair and leads
11 unless the Chair directs otherwise.

12 There will be no opportunity for questioning of
13 witnesses by other witnesses or their counsel.

14 After all testimony is taken, the Government
15 Oversight Committee will provide an opportunity for any
16 witnesses to offer further or clarifying information they
17 may wish to offer.

18 After all testimony is taken, the Committee may
19 recall particular witnesses for further questions.

20 So those are the suggested rules of how we
21 proceed today.

22 Is there a motion with respect to those?

23 SENATOR DIAMOND: So moved.

24 SENATOR KATZ: Moved by Senator Diamond,
25 seconded by Senator Davis. It there any discussion of

1 that?

2 (No audible response.)

3 SENATOR KATZ: Seeing none, all in favor of that
4 order of procedure please so indicate. Opposed? It's
5 unanimous.

6 Each witness will take in order as I indicated
7 and each witness will be offered an opportunity at the
8 beginning to make a brief statement if they wish to prior
9 to any question by the Committee.

10 The first thing we want to do, though, is to
11 hear from our director briefly because each of these
12 witnesses, as part of either the subpoena or the request
13 to appear, was asked to produce any documents which might
14 be relevant to this matter, and I won't go through the
15 list of what those are, but we did ask them to bring
16 documents. For some of them it was documents in addition
17 to what they otherwise might have provided before today,
18 but for some of them it was just the first time. So as is
19 consistent with our practice, those documents have been
20 produced or will be produced this morning.

21 Beth has had a chance to review the ones which
22 have already been produced and I wanted to ask her if she
23 could brief us on whether those new documents have cast
24 any additional light on the facts that we're looking into
25 today.

1 DIRECTOR ASHCROFT: First of all, all of those
2 that are going to be with you today have provided
3 documents in advance with the exception of Jay Nutting, so
4 we appreciate that. That was very helpful, gave us an
5 opportunity to review them for you prior to today.

6 By virtue of that, I've told those folks that
7 they did not need to bring hard copies of those documents
8 with them to give to you today. I don't think that would
9 be particular useful for you at this particular time. We
10 can discuss after you've spoken with folks whether there
11 are particular documents you'd like for OPEGA to bring
12 forward for you.

13 But the overview of them is that nearly all the
14 documents that we received were either documents we had
15 already obtained as part of our review from other sources,
16 so a number of them were not anything new and, therefore,
17 are reflected in the information brief to the degree that
18 they're part of the story.

19 There were a few documents that provided us
20 additional level of support for particular dates or times
21 that things happened that have been described to you in
22 the brief and others that were related to things that we
23 already knew.

24 So I guess I would just then talk about the
25 couple of things that I think would be relevant to your

1 questioning today that are not reflected somehow in detail
2 here. And the first would be on page 14 of the brief. At
3 the very bottom of that page, we had reported to you that
4 the Good Will-Hinckley Board chair had told us that he had
5 a conversation with, would be Mr. Chadbourne, where Mr.
6 Moore was informed that the lawyer would like to speak
7 with him. We do have an email chain ow that suggests that
8 that lawyer was Ms. Montgomery, and that there was a
9 meeting set up between she and Mr. Moore that was supposed
10 to be for July 23rd. She had to reschedule, and we don't
11 have any further information about whether that meeting
12 was actually held or not. So I know one of you or more
13 had a question about whether that meeting took place and
14 what that was about, so we did get a little extra around
15 that.

16 And then there was additionally an email from
17 Commissioner Desjardin to Ms. Montgomery asking about
18 whether or not he should provide OPEGA with a couple of
19 additional points of information following his interview
20 with us, I believe probably his first interview with us.
21 And so it was asking her if she thought that it would be
22 good to pass on these other points of information to us or
23 not, checking in with her on that.

24 Other than that, I don't -- there was really
25 nothing in the documents that we got that I think would

1 relate to your inquiry today.

2 SENATOR KATZ: Okay. Any questions for Beth
3 with respect to that? Seeing none, any other business to
4 come before us before we begin?

5 DIRECTOR ASHCROFT: I would just let Committee
6 members know that there is a highlighted copy similar to
7 the one that I sent you here on the table in case you want
8 to refer those that you're speaking with to any particular
9 pages in that document. There's one before you.

10 And the only other thing I would say is I
11 apologize in advance if we have to ask people to step out
12 of the room, but we were advised after our last meeting
13 that there is a capacity limit on the room, and so there
14 is an overflow room, and we may need to ask people to
15 adhere to that if that becomes necessary.

16 SENATOR KATZ: Thank you. You're going to sit
17 over there for now.

18 DIRECTOR ASHCROFT: I am.

19 SENATOR KATZ: All right. Anything else, ladies
20 and gentlemen?

21 (No audible response)

22 SENATOR KATZ: Why don't we get started then.
23 The first person we've asked to be here is Aaron
24 Chadbourne. Mr. Chadbourne. And he is here with his
25 attorney, Cliff Ruprecht.

1 MR. CHADBOURNE: Good morning.

2 SENATOR KATZ: Good morning. Good morning.

3 MR. RUPRECHT: Good morning, Senator.

4 SENATOR KATZ: Raise your right hand.

5 MR. CHADBOURNE: Sure.

6 SENATOR KATZ: Do you promise the testimony --
7 do you affirm the testimony you're about to give will be
8 the truth, the whole truth, and nothing but the truth?

9 MR. CHADBOURNE: I absolutely do.

10 SENATOR KATZ: Thank you.

11 Whereupon,

12 AARON CHADBOURNE,

13 after having been duly sworn, was examined and testified
14 as follows:

15 SENATOR KATZ: I'm going to start with some
16 questions for Mr. Chadbourne and other Committee members
17 may have some as well. So thank you for being here this
18 morning.

19 SENATOR KATZ: The first question I have is
20 there was a June 5th meeting --

21 MR. RUPRECHT: Senator, I'm sorry to interrupt.

22 SENATOR KATZ: Yes, sir.

23 MR. RUPRECHT: Mr. Chadbourne had an opening
24 statement he wanted to make.

25 SENATOR KATZ: I apologize. We did say we'd

1 afford you that opportunity and please go ahead, sir.

2 THE WITNESS: You did, and I thank you for that,
3 Senator.

4 Senator Katz, Representative Kruger, and members
5 of the Government Oversight Committee, I did want to take
6 an opportunity briefly to introduce myself. I know that
7 I've obviously appeared before several of you in your
8 other committees, but there are a number of you that I've
9 not yet met.

10 My name is Aaron Chadbourne, and I serve as
11 Senior Policy Advisor to the Governor, a position that
12 I've only held for about nine months, and it's a position
13 that I consider a great honor.

14 I grew up in Gorham, Maine, graduated from,
15 Gorham High School. I left Maine to attend Harvard for
16 college, I know, Senator Katz's alma mater. Also went to
17 law school and business school and then moved away to
18 pursue a career helping companies and organizations grow
19 and succeed.

20 Around the time the Governor was re-elected, I
21 was contemplating leaving the global strategy firm where I
22 worked, and I looked into whether there were any
23 interesting opportunities that would enable me to move
24 back to Maine to be close to my family. By complete
25 happenstance, I had coffee with a former member of

1 Governor Baldacci's office and he suggested that I reach
2 out to this governor and let him know if I'd be willing to
3 work to help get things done in Maine because we have a
4 lot to do to improve our state's economy, education
5 system, and competitiveness to ensure Maine is on a path
6 to prosperity. And that's how I came to sit before you
7 today.

8 Now, despite what we here in the
9 (indiscernible), the initiative that I've been most
10 publicly associated with to date was presenting the
11 Governor's proposed constitutional amendment to eliminate
12 the state income tax, which, in any other year, might have
13 been enough to catch the newspaper's attention, but I've
14 gathered that this year is an exception.

15 In addition to working on tax policy, my
16 portfolio responsibility is diverse including education
17 policy, and it's my involvement with education policy on
18 behalf of the Governor that caused me to be witness to
19 some of the events described in the OPEGA report, which
20 I'd like to comment on briefly.

21 First, it's my opinion that the OPEGA report is
22 thorough, and I believe that it documents well the series
23 of events that took place concerning your subject of
24 interest. Now, there are a few places where I disagree
25 with the characterization that the authors of the report

1 used, but overall, I think the underlying timeline and
2 series of events is relatively accurate and it satisfies
3 OPEGA's fact-finding charge, which is why I have not found
4 a need to comment on it before today.

5 Second, I'm here today voluntarily. I've heard
6 many people speculate that the Governor's office might
7 challenge your subpoena in court; however, I believe that
8 doing so would only prolong the media's interest in this
9 matter and the distraction it creates for the public and
10 the hardworking men and women in the State of Maine
11 government. We have other important things to focus on,
12 so I'm happy to help satisfy the Committee's inquiry and
13 truthfully answer your questions where I have direct
14 knowledge of the facts you are interested in finding.

15 At your last meeting, Director Ashcroft made the
16 suggestion that some witnesses might want to be subpoenaed
17 in order to be protected from retribution. I want to
18 assure you that is not the case for me. I have not
19 discussed the content of my testimony with the Governor,
20 and the only thing he's ever said to me about being in
21 front of you is that I should tell the truth, and that's
22 what I'm here to do today. And in doing so, I hope to put
23 an end to much of the unwarranted speculation that has
24 surrounded my role in these events or my willingness to
25 cooperate with your fact-finding. In actuality, I'm eager

1 for your fact-finding to conclude, and I welcome the
2 Committee's questions about any facts that I might have
3 witnessed so that I can provide the clarification that you
4 need to complete this process.

5 Thank you.

6 SENATOR KATZ: Thank you very much, sir. Mr.
7 Chadbourne, there was a June 5th meeting that Commissioner
8 Desjardin had with the Governor regarding the logger
9 training initiative. Were you at that meeting?

10 THE WITNESS: Yes, Senator.

11 SENATOR KATZ: Okay. And you are privy to a
12 briefing memo that was done prior to that meeting, I guess
13 the Acting Commissioner prepared?

14 THE WITNESS: Yes.

15 SENATOR KATZ: Okay. And in that briefing memo,
16 the Acting Commissioner indicated that Speaker Eves had
17 actually been hired and was about to begin on July 1; is
18 that true?

19 THE WITNESS: I believe in the memo the Acting
20 Commissioner at the time indicated that they had made a
21 selection. I don't believe he mentioned Speaker Eves at
22 all, and the first time I heard of it was during the
23 meeting.

24 SENATOR KATZ: Okay. But a selection had been
25 made; is that right?

1 THE WITNESS: You have the letter before you,
2 Senator. I don't have it in front of me.

3 SENATOR KATZ: All right. What did the
4 Commissioner tell you and the Governor at that meeting
5 about the Speaker being hired?

6 THE WITNESS: The Commissioner indicated that as
7 in his memo that a president had been hired, and the
8 Governor said, "You didn't say who it is in your memo" and
9 asked who it was. He said, "It's the Speaker of the
10 House, Mark Eves."

11 SENATOR KATZ: And what was the Governor's
12 reaction?

13 THE WITNESS: I think his jaw dropped. He was
14 very surprised. He was very surprised by that statement.
15 And I think his instant reaction was something to the
16 effect of, "What does Mark Eves know about running a
17 school for at-risk kids?"

18 The Governor talked a lot about at-risk kids in
19 that moment. He talked about his brothers, and he tried
20 to picture how his brothers would do in that school and
21 whether that was the appropriate leadership that they
22 would need, and he voiced his concern that it wasn't.

23 He asked a little bit about what qualifications
24 Mark Eves might have had that would lead to such a
25 section. And he was just overwhelming puzzled.

1 He also asked me a question, which I went and
2 researched afterwards about whether or not it was
3 permissible under law, which it's not my role to provide
4 legal guidance to the Governor, so I took that question to
5 Sarah Forster, but whether it's permissible under law for
6 a member of the legislature to be employed by a charter
7 school that receives its funding directly from the State.

8 SENATOR KATZ: And this was also at that first
9 meeting?

10 THE WITNESS: Correct.

11 SENATOR KATZ: As far as you know, sir, was that
12 the first time the Governor had learned about the
13 Speaker's hiring?

14 THE WITNESS: Yes. And by the surprised look on
15 his face and his reaction, I take it to be the first time.

16 SENATOR KATZ: Was there any discussion at that
17 first meeting about Good Will-Hinckley's funding?

18 THE WITNESS: No.

19 SENATOR KATZ: And what, if anything, did the
20 Governor ask you or the Commissioner to do at that
21 meeting?

22 THE WITNESS: Other than that one inquiry to
23 find out whether or not it was permitted under law for a
24 City member of the legislature to be employed by an
25 organization that receives its funding from the State,

1 nothing.

2 SENATOR KATZ: All right. Was there anyone else
3 at that meeting as you recall?

4 THE WITNESS: No.

5 SENATOR KATZ: And by the way, for your benefit
6 and for the benefit of everybody else, the reason there
7 are going to be so many questions directed to you and Ms.
8 Montgomery in particular is because you were not interview
9 before by the OPEGA staff.

10 THE WITNESS: Correct.

11 SENATOR KATZ: So a lot of the background we
12 might already have, we don't have, so that's why it's
13 going to take a little while here.

14 What is your understanding of what the Governor
15 did next with respect to this issue after this meeting,
16 sir?

17 THE WITNESS: I don't know that I have any other
18 information other than what's provided in the OPEGA
19 report. There's nothing that I would characterize
20 differently than that.

21 SENATOR KATZ: Apparently, the Governor called
22 the acting president of Good Will-Hinckley, Rich Abramson,
23 on June 5th. Were you aware of that call?

24 THE WITNESS: Only from reading in your report
25 and the characterizations publicly.

1 SENATOR KATZ: Okay. Did the Governor ever
2 discuss that call with you at any time before or after?

3 THE WITNESS: No.

4 SENATOR KATZ: Were you aware of the Governor's
5 call to Greg Powell at the Harold Alfond Foundation also
6 on June 5th?

7 THE WITNESS: Again, not at the time, no.

8 SENATOR KATZ: Okay. And did the Governor ever
9 discuss that call with you at some later time?

10 THE WITNESS: I've only heard the Governor
11 characterize it in his public comments. It might come as
12 a surprise to members of this committee, but the Governor
13 has said much more about this matter publicly than he has
14 privately.

15 SENATOR KATZ: Okay. So what did you hear him
16 say in any forum?

17 THE WITNESS: About?

18 SENATOR KATZ: About the call to Mr. Powell?

19 THE WITNESS: Again, I've just heard him
20 publicly acknowledge that he did call him.

21 SENATOR KATZ: Okay. Did you have any other
22 meetings, Mr. Chadbourne, with the Governor on the subject
23 of the Speaker's hiring in the period between June 5th and
24 June 8th; do you recall? The cabinet meeting is June 9th.
25 Was there any discussions with the Governor before that

1 cabinet meeting that you've not already described?

2 THE WITNESS: Before the cabinet meeting, the
3 only interaction I had with the Governor on the matter
4 pertained to the formal letter that we were preparing to
5 send to Jack Moore that that we submitted to him on June
6 8th.

7 SENATOR KATZ: Okay. And tell us about those
8 discussions if you can.

9 THE WITNESS: The only discussions that we had
10 is that it was his desire to send a letter to Chairman
11 Jack Moore. I believe in my conversation with Sara
12 Vanderwood she had asked whether the Governor might want
13 to speak to Mr. Moore. I asked the Governor whether he
14 would be interested in speaking to Mr. Moore. He said,
15 "No, I've decided we'll send him a letter so that he knows
16 that I have concerns with the selection that they've made
17 and that I don't find Mark Eves qualified." I suggested
18 some of what we might put in that letter, and that's what
19 we worked on.

20 SENATOR KATZ: Okay. Sara Vanderwood was a
21 person who was employed as a lobbyist by Good Will-
22 Hinckley around this time period; is that correct.

23 THE WITNESS: Correct. For a while before that,
24 I believe.

25 SENATOR KATZ: Yes. And you had at least one

1 meeting with her and perhaps more. I'd like you to walk
2 us through that, if you could.

3 THE WITNESS: Sure. After my meeting with the
4 Governor, I think the first thing I did was actually come
5 to the Attorney General's Office to speak with Sarah
6 Forster to research the question of law. But returning to
7 my office, I called Sara Vanderwood and I asked her to
8 stop by my office. My intention in that conversation was
9 to ask her whether she had any information about whether
10 someone had been indeed selected as president of Good
11 Will-Hinckley. I hadn't heard about it previously, and
12 it's been my experience that a number of the schools,
13 university or the community college system, they tend to
14 reach out to me to make sure the Governor is aware when
15 they made a selection. It's common practice and I think a
16 courtesy, and quite often they're looking to make sure
17 that he has confidence in who they've selected.

18 That had not occurred at this time, so I called
19 Sara Vanderwood in an attempt to confirm what Acting
20 Commissioner Desjardin had told the Governor, and she said
21 she had no knowledge of that and she'd get back to me.

22 SENATOR KATZ: Was that at anybody's directive
23 that you reached out to her?

24 THE WITNESS: No. It was at my own attempt to
25 verify the information I'd heard that morning.

1 SENATOR KATZ: Okay. Did Ms. Vanderwood, if you
2 know, go ahead and contact the school and get back to you
3 with respect to the hiring?

4 THE WITNESS: I think she came back to see me
5 again later that afternoon with information.

6 SENATOR KATZ: Tell us about that meeting, if
7 you recall.

8 THE WITNESS: Sara Vanderwood came and said that
9 she had looked into it. It's not something she had heard
10 about. I think she was surprised to learn of it. And I
11 think at the time I said okay. I let her know that the
12 Governor had expressed concerns about Speaker Eves'
13 qualifications, didn't think that he was qualified and he
14 was particularly concerned about whether this decision had
15 been made in the best interest of the students at Good
16 Will-Hinckley.

17 SENATOR KATZ: From the report we've learned
18 that her impression from meeting with you was that the
19 funding for Good Will-Hinckley School would now be in
20 jeopardy if the Speaker were hired. I'm sure you read
21 that in the report.

22 THE WITNESS: I did, sir.

23 SENATOR KATZ: Okay. And what was there in your
24 discussion with her that would have led her to that
25 conclusion?

1 THE WITNESS: I think the question that she
2 asked me most directly was whether I thought the Governor
3 would still be willing to speak at their commencement, and
4 I said I couldn't confirm that at that time. I thought he
5 might not want to. She said that she knew that Glen
6 Cummins would be speaking at the commencement as well and
7 wondered if that was a concern. I let her know that no,
8 the Governor had a lot of confidence in Glen Cummings and
9 in his leadership of the school and I did not see that as
10 a concern; however, I did think the Governor had now
11 concerns about the management of the school and he might
12 not wish to attend their commencement.

13 SENATOR KATZ: Well, she left that meeting with
14 the impression that the funding for the school was in
15 jeopardy. What did you say that led her to that
16 conclusion?

17 THE WITNESS: You'd have to ask her that
18 question, sir. I don't know what created an impression
19 for Sara Vanderwood.

20 I was relatively new to the Governor's office at
21 the time. I was not familiar with the details of the
22 funding for Good Will-Hinckley. And so anything that she
23 may have inferred from my comments was not a direct result
24 of things that I said. The funding at no time came up,
25 and so you'd have to ask Sara Vanderwood about that.

1 SENATOR KATZ: Okay. Did anybody suggest to you
2 that you convey the message to her that in any way the
3 funding for Good Will-Hinckley would now be in jeopardy?

4 THE WITNESS: Never, nor to anyone else. I've
5 never been asked to convey a message to anyone whether at
6 Good Will-Hinckley or elsewhere about the funding and
7 being in jeopardy. It's never been suggested, Senator.

8 SENATOR KATZ: That's never been suggested that
9 you do that?

10 THE WITNESS: No one's ever directed me to or
11 asked me to.

12 SENATOR KATZ: Have you done that?

13 THE WITNESS: No.

14 SENATOR KATZ: Did you have any other
15 communications or meetings with her in the period before
16 the cabinet meeting that we've not already talked about?

17 THE WITNESS: Not that I recall. There may have
18 been incidental communication. I had asked her at one
19 point for contact information from Mr. Moore in
20 anticipating of sending him a letter, and I think she and
21 I communicated about whether -- I think over the phone,
22 about whether or not the Governor might be willing to meet
23 with him.

24 SENATOR KATZ: The report also indicates that on
25 the morning of June 5th that the Acting Commissioner was

1 called back to the Governor's office and he then called
2 Mr. Moore, the Good Will-Hinckley Board Chair. Were you
3 aware of that phone call?

4 THE WITNESS: I was not aware of the phone call.
5 A number of things were happening that morning, Senator,
6 and I wasn't in the Governor's office for all of them.

7 I do remember being out of the office, being
8 back in the office, and the Acting Commissioner being
9 generally around. I don't believe that he met with the
10 Governor as I'm generally present when he's met with the
11 Governor.

12 SENATOR KATZ: Did the Commissioner ever -- I'm
13 going to call him the Commissioner. Did the Commissioner
14 ever discuss that phone call with you?

15 THE WITNESS: He may have, but not in a
16 significant way that I recall.

17 SENATOR KATZ: You don't recall anything he
18 might have told you about that call?

19 THE WITNESS: Not particularly. There were a
20 lot of conversations taking place at that point, and that
21 doesn't stand out to me.

22 SENATOR KATZ: Okay. When did you become aware
23 that the Governor had written a handwritten note to Mr.
24 Moore, the Chair of the Board of Good Will-Hinckley?

25 THE WITNESS: I suspected it was when you became

1 aware of it when it was first reported in the press.

2 SENATOR KATZ: Okay. You don't recall any
3 knowledge of it before that?

4 THE WITNESS: I recall that I had no knowledge
5 of it before that.

6 SENATOR KATZ: All right. Okay. Any other
7 meetings that you had with Commissioner Desjardin on June
8 5th or at any time before that June 9th cabinet meeting
9 that we haven't talked about?

10 THE WITNESS: The Acting Commissioner and I were
11 in constant communication. This is one of very many
12 issues that were before the Governor's office at the time.
13 As you all recall it was the end of session. Budget had
14 not closed yet. The committee that you sit on, Senator
15 Katz, had not yet issues its majority and minority
16 reports. So there were many issues that I was in contact
17 with Commissioner Desjardin before that. So I couldn't
18 recall for you every one of them.

19 SENATOR KATZ: Okay. Commissioner Desjardin has
20 told us, the staff, that he believed you were present
21 during a conversation that he had with the Governor when
22 the Governor told him that he didn't want to send Good
23 Will-Hinckley any funding that was not required by law.
24 Do you recall being present at that meeting?

25 THE WITNESS: I do.

1 SENATOR KATZ: Okay. And do you recall when
2 that was?

3 THE WITNESS: I don't recall specifically, but
4 I've looked at my calendar in anticipation you would ask
5 me that question. The best guess that I have for you of
6 when that conversation may have taken place would have
7 been following the cabinet meeting.

8 The Governor had previously scheduled a meeting
9 with Commissioner Desjardin to discuss a teacher
10 certification issue related to a specific school because a
11 constituent reached out to him, and that was on the
12 calendar immediately following the cabinet meeting. And I
13 believe it was at that meeting where the conversation took
14 place.

15 SENATOR KATZ: Okay. Could you tell us, as you
16 recall, who was there and what was said?

17 THE WITNESS: It was within the Governor's
18 office, myself, Acting Commissioner and the Governor, and
19 it was not at all a focal point of the conversation. I
20 think there was an incidental comment made as the
21 Commissioner and I were leaving the room.

22 I think the Acting Commissioner made a comment
23 about the Governor's past advocacy for more funding for
24 Good Will-Hinckley, and I can't recall the exact substance
25 of that. And that was at the point that the Governor very

1 clearly said, "Well, after the budget is passed, I want
2 you to read it carefully and we'll give them exactly what
3 we're required by law and nothing more."

4 SENATOR KATZ: All right, thank you. In the
5 last paragraph on page 14 of the report, there is
6 reference to at least two conversations you had with Mr.
7 Moore. Again, Mr. Moore is the Chair of the Good Will-
8 Hinckley Board. And I'd like to walk through those with
9 you if I could.

10 I think you reached out to Mr. Moore; is that
11 true?

12 THE WITNESS: Yes.

13 SENATOR KATZ: And what was your purpose in
14 doing so?

15 THE WITNESS: On June 8th, which is the first
16 date, so let me give you both dates first. The first date
17 of our conversation was June 8th.

18 SENATOR KATZ: Let me stop you just for a
19 second. At anybody's directive were you calling Mr. Moore
20 or was that your decision?

21 THE WITNESS: No. It was my decision.

22 SENATOR KATZ: Go ahead, thank you.

23 THE WITNESS: And my decision on June 8th -- and
24 the second conversation I actually don't have a specific
25 date for you. I think it was immediately before the 4th

1 of July because he had mentioned he was going fly fishing
2 for the weekend, but that was just to let him know that I
3 was providing his contact information to Cindy Montgomery
4 and she might be contacting him given that there was
5 pending litigation. And then there was a brief
6 conversation sometime in July.

7 On June 8th, my purpose for calling him,
8 Senator, was to let him know that I had spoken with Sara
9 Vanderwood prior to the weekend. She had indicated he
10 might like to meet with the Governor and I had given her
11 the indication he might be willing to meet. I wanted to
12 let him know that the Governor had decided that he'd,
13 instead, send him a letter outlining his concerns with
14 their selection of the Speaker, and that the Governor had
15 hoped that they would continue the selection process.

16 Now at that point in time, we had just been
17 through a selection process at the University of Maine at
18 Orono which did not result in a final candidate. They
19 extended the search process for a year. I think a similar
20 decision was made at the Maine Community College. So it
21 was a process that I was familiar with. People were
22 extending their presidential search process until they
23 found someone.

24 It was at that time that Mr. Moore indicated
25 that I think -- I think in this conversation Mr. Moore,

1 because I didn't speak to him after that, indicated to me
2 that -- I think the Speaker had signed the contract over
3 the weekend and I said, "Well, it sounds like the Board
4 has made its decision and there's nothing really more to
5 speak about.

6 SENATOR KATZ: Okay. Have you told us
7 everything that you told Mr. Moore about the Governor's
8 reaction to the news of the Speaker being hired?

9 THE WITNESS: The conversation was longer than
10 that, and I think the basis of our conversation, I think I
11 laid out the objections in the Governor's letter. I spent
12 a lot of time discussing with him Speaker Eves' perceived
13 lack of qualification by the Governor to serve as the
14 president of Good Will-Hinckley. He asked whether or not,
15 and I think this is what he says in the report, he asked
16 whether or not he's objecting because he was a Democrat.
17 I let him know that Glen Cummings, he thought was very
18 qualified, had a great background prior to being selected
19 to lead that school, he was not objecting because it's a
20 Democrat. I think there were many other people the
21 Governor could suggest, and it wasn't on the basis of
22 political party or politics. It was because the Governor
23 was most concerned about finding the right leader for that
24 school.

25 The school is relatively new and being

1 established to the charter school, and their funding
2 situation has not been self-sustaining to date, and he
3 wanted to make sure that the leader there had strong
4 management experience and strong educational background
5 that would best serve those kids.

6 SENATOR KATZ: That's what you told Mr. Moore?

7 THE WITNESS: Absolutely, yes.

8 SENATOR KATZ: Mr. Moore left that conversation,
9 sir, with the impression that the funding for Good Will-
10 Hinckley was now in jeopardy. Did you tell him that?

11 THE WITNESS: I did not.

12 SENATOR KATZ: This is now the second person who
13 leaves a conversation with you believing that the funding
14 for Good Will-Hinckley is now in jeopardy because of the
15 hiring decision. What did you say to him that led him to
16 that conclusion?

17 THE WITNESS: If I read your report correctly,
18 Senator, I take a couple of things. First, both of those
19 witnesses told you that I never brought up the funding
20 situation. I'm telling you now, I didn't even know about
21 the extra \$530,000 that was in the budget because it's not
22 a part of the budget that I worked on before it had been
23 submitted. It's not a part of the budget that I reviewed
24 or worked on when it was before the legislature. It's not
25 something I was aware of.

1 Now, what is clear from your report is that
2 something that was very front of mind for those
3 individuals. So if Sara Vanderwood, a lobbyist who's
4 hired to look for any indication that that funding might
5 be in jeopardy thought that the Governor not speaking at
6 their commencement was such an indication, I can't speak
7 to anything other than that.

8 SENATOR KATZ: So we now have two folks who came
9 away from conversations with you thinking the funding was
10 in jeopardy and you can think of nothing you said that
11 would lead either one of them to --

12 THE WITNESS: I told them that Governor
13 disapproved of their selection.

14 SENATOR KATZ: Excuse me, let me finish my
15 question. You can't think of anything that you said which
16 led either of those people to conclude that the funding
17 was now in jeopardy, sir?

18 THE WITNESS: I think I've been completely
19 forthcoming with you, Senator Katz, in the fact that I
20 told them the Governor disapproved with the management's
21 selection they had made for their school. What
22 conclusions they drew from that is a question you'd have
23 to ask them, but I did not at any time reference the
24 funding, nor was I aware of the extraordinary funding that
25 the only school that receives this type of funding outside

1 of the charter school formula.

2 SENATOR KATZ: Now on June 5th when there was
3 some talk by someone, at least, about withholding Good
4 Will-Hinckley's funding, did you know that Good Will-
5 Hinckley had an active grant agreement with the Alfond
6 Foundation?

7 THE WITNESS: I did not.

8 SENATOR KATZ: When did you first learn of that,
9 if you recall?

10 THE WITNESS: I believe as it was reported in
11 the press upon -- I think it was just before the Speaker
12 terminated his contract (indiscernible) the press.

13 SENATOR KATZ: Do you know when and how the
14 Governor first learned that the Harold Alfond Foundation
15 continued funding in future years might be in jeopardy?

16 THE WITNESS: I do not know that, sir.

17 SENATOR KATZ: Were you present, Mr. Chadbourne,
18 at the cabinet meeting on June 9th?

19 THE WITNESS: Yes.

20 SENATOR KATZ: Okay. Can you tell us what
21 was --

22 (CELL PHONE RINGS)

23 SENATOR KATZ: Ten dollars, Mr. Merrill.

24 MR. MERRILL: Sorry.

25 THE WITNESS: I think he's getting you back for

1 not giving him credit for getting the exclusive on the
2 Speaker's hiring.

3 SENATOR KATZ: I'm going to ask him about that
4 while he's out of the room.

5 All right, I want to ask you about that meeting,
6 and could you tell us in addition to the cabinet members
7 generally who was there.

8 THE WITNESS: I don't think the audience
9 differed from a typical cabinet meeting.

10 SENATOR KATZ: Staff, senior staff?

11 THE WITNESS: I imagine some of them are
12 missing. I'm not sure, but the general same folks, senior
13 staff and the cabinet members.

14 SENATOR KATZ: Okay. Tell us what you recall
15 about what was discussed at that meeting about the Good
16 Will-Hinckley matter?

17 THE WITNESS: To be perfectly honest with you,
18 until I read it in the report it was not something that I
19 distinctly remembered. I vaguely remember the Governor
20 making a side throw-away comment about the fact that
21 Speaker Eves now wanted to run a charter school. And I do
22 recall Acting Commissioner at the time, Tom Desjardin,
23 saying, "Oh, we'll see how that goes by the end of the
24 day." I think that was the extent of the conversation as
25 it pertained to that matter.

1 SENATOR KATZ: I'm sorry, what was that last
2 part about the end of the day?

3 THE WITNESS: As reported in the OPEGA report,
4 Commissioner Desjardin did make a comment saying, "We'll
5 see if that's still the case by the end of the day"
6 because as your report indicates, I think he believed that
7 the decision may change.

8 SENATOR KATZ: The decision --

9 THE WITNESS: Again, it's in your report. I
10 don't know --

11 SENATOR KATZ: I'm sorry, I just couldn't hear
12 what you said, that the decision had been made?

13 THE WITNESS: Might change.

14 SENATOR KATZ: I see.

15 THE WITNESS: I think he was saying -- again,
16 I'll refer you to your report for what he said about that
17 or you can ask him.

18 SENATOR KATZ: Do you recall the Governor giving
19 anyone any instructions or directives about doing anything
20 at that cabinet meeting?

21 THE WITNESS: No.

22 SENATOR KATZ: Okay. Were you involved in any
23 way, sir, in the decision to withhold the first-quarter
24 payment to Good Will-Hinckley that happened on June 9th?

25 THE WITNESS: No. And I was not aware that it

1 happened until I was contacted by the media or our press
2 office was.

3 SENATOR KATZ: Okay. Have you now learned
4 whether the Governor or whether anyone else in his office
5 was involved in making that decision?

6 THE WITNESS: I am confident that no one other
7 than the Commissioner was involved in making that
8 decision.

9 SENATOR KATZ: When did you first learn about
10 the Commissioner's decision to withhold payment?

11 THE WITNESS: I'd have to check my documents for
12 the date at which we received the inquiry in late June
13 from our reporter about it. That was the first I'd heard
14 of it.

15 SENATOR KATZ: Okay. Do you know how the
16 Governor learned that the payment had been withheld?

17 THE WITNESS: I do not, and I do not recall
18 discussing it with him.

19 SENATOR KATZ: Okay. Mr. Chadbourne, other than
20 the interactions and communications we've already
21 discussed here this morning, were there any additional
22 interactions or communications that you, sir, had with
23 anybody at Good Will-Hinckley, at the school at Good Will-
24 Hinckley, or with their attorneys at any time regarding
25 the matter of the Speaker being hired and the issue of the

1 funding?

2 THE WITNESS: The only two interactions or
3 conversations I had that I did not see reflected in the
4 report were Monday, June 8th. I attended an event at the
5 University of Maine at Augusta and was approached by
6 former president of Good Will-Hinckley, at the time
7 interim president of the University of Maine Augusta, and
8 now the president of the University of Southern Maine,
9 Glen Cummings, who we were there to sign an agreement
10 between the University of Maine system and the Maine
11 Community College system on credit transfer. Mr. Cummings
12 mentioned to me that he heard that the Governor didn't
13 approve of their selection of Mark Eves to run the school.
14 I said, "Right, he doesn't believe that he's qualified."
15 And Glen Cummings said, "Well, you know, there are other
16 folks at the school that the Governor can have confidence
17 in." And that was the extent of that conversation.

18 SENATOR KATZ: Thank you. Do you recall any
19 other interactions or communications with the Governor or
20 others in the Governor's office on this subject of Good
21 Will-Hinckley that we did not discuss?

22 THE WITNESS: No. But to answer your first
23 question, I said there were two instances.

24 SENATOR KATZ: I'm sorry.

25 THE WITNESS: The first was Glen Cummings, and

1 the second was Speaker Eves.

2 Speaker Eves stopped me in the parking lot. He
3 pulled up his car beside me and said, "Oh, I've heard that
4 you've been in touch with Jack Moore and the Governor has
5 some concerns." And I said, "Yes, that's true." He said,
6 "Well, hopefully, we can get by those."

7 SENATOR KATZ: Okay. Any other discussions with
8 Commissioner Desjardin or any staff at the Department of
9 Education on the subject matter we've talked about today
10 that we have not discussed this morning?

11 THE WITNESS: The only other one and to your,
12 again, just prior question when you said the Governor and
13 the Governor's office, the only other conversation that I
14 had with the Governor on this topic was on the 10th after
15 it had been announced by the school that Mark Eves would
16 be selected as president.

17 The Governor was traveling out of state and
18 called me because he had heard something on the radio
19 about education funding more broadly. When I called him
20 back to give him the question, the answer to the question
21 so that he could understand what they were talking about
22 on the radio, he mentioned that he wanted me to start
23 working on charter school laws. He said, "I want to make
24 sure now that Speaker Eves is president of Good Will-
25 Hinckley that we have the toughest charter school laws,

1 the best charter school laws in the country." It was a
2 comment I relayed to Acting Commissioner Desjardin. The
3 Acting Commissioner got back to me and said, "Because ours
4 are so new, they are some of the best." And when I
5 relayed that back to the Governor, his reaction was, "No,
6 Arizona is ranked number one. Maine is only ranked number
7 three, and there's more that we can do particularly if the
8 Speaker is now interested in charter schools." And that
9 was my last interaction about Speaker of the House and
10 leading Good Will-Hinckley.

11 SENATOR KATZ: Thank you. Any other
12 interactions with Greg Powell or anybody else in the
13 Harold Alfond Foundation that you've had that we haven't
14 talked about this morning?

15 THE WITNESS: Not in that timeframe and not
16 about this matter. I've interacted with the Alfond
17 Foundation on other matters.

18 SENATOR KATZ: But not on this one, okay. Are
19 you aware of any other interactions or communications
20 between the Governor or other members of the Governor's
21 staff and Harold Alfond Foundation that we have not
22 discussed this morning?

23 THE WITNESS: I have no knowledge of anything
24 else personally.

25 SENATOR KATZ: Okay. You just told us about a

1 casual conversation you had with the Speaker in the
2 parking lot. Any other communications you had with the
3 Speaker or any of his -- or his attorney regarding this
4 matter?

5 THE WITNESS: I don't believe I've her had any
6 communication with his attorney, and that's the only time
7 the Speaker of the House stopped me to speak to me about
8 it.

9 SENATOR KATZ: Okay. I apologize, I may have
10 asked you this before, but when did you first become aware
11 of Harold Alfond Foundation's concern about what was
12 happening in terms of the potential lawsuit --

13 THE WITNESS: At the same time the --

14 SENATOR KATZ: Let me -- someday this may be a
15 transcript. I hope not, so just let me finish my
16 question.

17 THE WITNESS: I think under law it's required to
18 be, so --

19 SENATOR KATZ: Actually not. It just has to be
20 recorded. We'll talk about that later. But in any event,
21 are you aware of -- excuse me, let me rephrase that.

22 When did you become aware that the Harold Alfond
23 Foundation was expressing concern about the impact of
24 potential state funding?

25 THE WITNESS: At the same time that the public

1 did when it was reported in the Bangor Daily News.

2 SENATOR KATZ: Okay. At any time since OPEGA
3 began its review of this, which was, I believe, on July
4 1st, have you been involved in coordinating or discussing
5 with the Commissioner or others at the Department of
6 Education what documents would be provided to OPEGA?

7 THE WITNESS: The direction that I provided to
8 the Commissioner as well as to the members of the
9 Department of Education were that they should cooperate
10 fully with OPEGA and that they should be truthful and
11 provide exactly what they're asked for.

12 SENATOR KATZ: Okay. Did you discuss with them
13 any details about what information would be shared or not
14 shared?

15 THE WITNESS: I think several times the
16 Commissioner did reach out to let us know what he was
17 sharing. I have at no time given him any direction about
18 what he should do. I've said that's his decision to make.

19 SENATOR KATZ: Other than that, are you aware of
20 any other coordination or discussions occurring that did
21 not involve you about what was going to be produced?

22 THE WITNESS: Again, I only think the
23 coordination that we provided was to make sure that we
24 understood which documents had already been provided and
25 which ones he was providing and other ones.

1 SENATOR KATZ: Okay.

2 THE WITNESS: I think there may have been
3 questions about whether there were any he considered to be
4 privileged and I don't have any awareness of that
5 conversation and its outcome.

6 SENATOR KATZ: Thank you very much for your
7 answers. I'm sure others will have questions.

8 Chairman Kruger.

9 REP. KRUGER: Thank you, Mr. Chair, and thank
10 you for coming today, Mr. Chadbourne. Appreciate it.

11 One point that I just wanted to make sure you
12 were aware of is that Good Will-Hinckley, the organization
13 has been around for 126 years. It's not a new entity.
14 And the charter school is just one part of the
15 organization which Mr. Eves was hired to lead. Just to
16 clarify that.

17 THE WITNESS: I do understand that.

18 REP. KRUGER: Okay.

19 THE WITNESS: The new part I was referring to
20 was the charter school. As we know, we haven't had
21 charter schools that long in Maine --

22 REP. KRUGER: Right.

23 THE WITNESS: -- and the Governor is quite
24 invested in ensuring that they're successful.

25 REP. KRUGER: Okay. My first question is in

1 your experience, is it common for the Governor to insert
2 himself into the internal affairs of an independent
3 institution?

4 THE WITNESS: You've asked me that question
5 before, Representative Kruger, when I saw you in Rockland,
6 and I don't know that I would comment on what's common or
7 what's not.

8 There are a lot of institutions you could say
9 are an external institution to Maine state government.
10 I'll give you an example.

11 Yesterday, the Governor and I had lunch at the
12 Blaine House with several recently returned veterans who
13 wanted to express their concerns about the VA Hospital in
14 Togus. It's not an institution that we control or that we
15 have any direct funding of or that we really have any say
16 about, but they were asking the Governor to advocate on
17 their behalf and to make inquiries about the director and
18 the PR spokesperson for Togus. And it's very common for
19 him to respond when there are concerns that he does
20 believe affect Maine people. And I think that, you know,
21 the Governor is interested in the management and oversight
22 and operations at school and making sure the school is
23 successful.

24 As I indicated, other schools, the university
25 system, Chancellor Page is in regular touch when he's

1 wanting to let the Governor know about decisions he's made
2 and presidents that have been selected to lead their
3 schools. We regularly receive those comments, and not
4 only that, I went back after our conversation in Rockland
5 and looked to see whether there's precedent for this at
6 all. And the precedent I did find was the episode I was
7 previously unaware of in 2013 when Speaker of the House,
8 Mark Eves, and then Senate President Justin Alford were
9 asking I this committee, I think they directed their
10 letter to the Education Committee, but they were asking
11 this committee to look into the management and the
12 decisions being made for leadership at the Baxter Academy
13 when it became a charter school.

14 I know some of you will remember that at the
15 time Mayor Brennan of Portland had instructed the
16 superintendent of schools in Portland to withhold hundreds
17 of thousands of dollars of mandatory taxpayer dollars that
18 were intended to go to that school. And rather than ask
19 questions about Mayor Brennan's decision at the time, the
20 Speaker of the House and the Senate president asked
21 questions about the management of the school and they
22 asked questions about the charter commission.

23 So I certainly don't think that this is the
24 first time that the Governor's had a concern about an
25 organization that doesn't work as part of the executive

1 branch of the State of Maine government, nor do I think
2 it's the first time that even as I've shown in presiding
3 officers of the legislature looked into the management
4 decisions being made of the charter school.

5 REP. KRUGER: Okay, that's it. Thank you.

6 SENATOR KATZ: Are there other questions for Mr.
7 Chadbourne? Representative Mastraccio.

8 REP. MASTRACCIO: Thank you, Mr. Chair. Thanks
9 for coming today, Mr. Chadbourne.

10 THE WITNESS: My pleasure.

11 REP. MASTRACCIO: I'm just trying to get back to
12 the question of the fact that people remember things
13 happening that you don't remember, and I'm referencing the
14 report like you have, and it just said right -- I'm
15 reading this, "The Good Will-Hinckley Board Chair," at the
16 time that was Mr. Moore, "also recalled having two
17 conversations with the Governor's Senior Policy Advisor
18 Cy," that is you --

19 THE WITNESS: Correct.

20 REP. MASTRACCIO: "-- but did not provide any
21 specific dates. He recounted that one of these times the
22 Senior Policy Advisor Cy contacted him specifically to say
23 that," and this is in quotes from him, 'We would have
24 trouble supporting Good Will-Hinckley if you hire the
25 Speaker.'" Are you saying that that's true or not true?

1 THE WITNESS: First of all, I'm saying that it
2 is true that I had those two conversations. I am
3 characterizing the comments that I made which was very,
4 very clear and unequivocal that the Governor did not
5 believe the Speaker of the House was qualified.

6 I didn't record the conversation. I don't have
7 an exact transcript. I don't believe Mr. Moore was
8 intending to provide you with a direct transcript of the
9 conversation; however, I was very clear that the Governor
10 did not support the decision they had made and that it was
11 the Board's decision and that they had a difference of
12 opinion when it came to his qualifications to lead the
13 school.

14 REP. MASTRACCIO: So you're saying that you
15 didn't say that you would have trouble supporting Good
16 Will-Hinckley, or are you saying that you did say that?

17 THE WITNESS: I'm saying I don't know which
18 words I used, Representative, and I'm trying to be as
19 honest and transparent as I can.

20 REP. MASTRACCIO: Right.

21 THE WITNESS: I don't know which words that I
22 used. I'm not saying that I didn't say it. I'm saying
23 that the message I was intending to send, which I believe
24 was heard very loudly by Chairman Moore, was that the
25 Governor disagreed with their selection, and he did not

1 have confidence that the Board was making the decisions in
2 the best interest of the school.

3 REP. MASTRACCIO: So once again, I'm just going
4 to ask you again because I really don't understand. I'm
5 kind of a simple person. I'm not a lawyer. I'm a citizen
6 legislator. To me, if somebody said that to me, I would
7 think, well, what does that really mean? And Mr. Moore,
8 who we had here in front of us, clearly took it to mean
9 that financial support was what you were talking about.

10 THE WITNESS: I cannot speak to what Mr. Moore
11 thought.

12 REP. MASTRACCIO: Would you think that that --
13 well, I guess I'm asking you what did you intend? What
14 did you intend to let him know? I mean, what was your
15 point then? How is it your business?

16 THE WITNESS: Let me direct you to the
17 Governor's letter of June 8th.

18 REP. MASTRACCIO: Why would you care?

19 THE WITNESS: What my business was is to
20 communicate with the Governor --

21 REP. MASTRACCIO: Can I just say one other
22 thing? How can we know, I mean, what are you there for?
23 I mean, what did you have to say about it? Is it any of
24 your business at all who Good Will-Hinckley hires unless
25 you have something that you can hold over their head?

1 What's your hammer? Your hammer is, oh, the Governor is
2 unhappy? That doesn't seem -- in my world, that isn't --
3 I'd go, well, gee, my kids used to be unhappy when I would
4 tell them they couldn't have something or do something and
5 I'll go, "Well, gee, that's too bad," you know. "Really,
6 what can you do about it?"

7 So what was your hammer? What was the point of
8 what you were doing other than to say, "Oh, he's unhappy"
9 unless you thought it was going to go somewhere else? So
10 that's what I'm asking, and I'm not -- this isn't lawyer
11 speak. I just -- I'm looking at it pretty simply and Mr.
12 Moore was in front of us and he seemed to clearly think
13 that there was a domino and that it started with
14 conversations that he was hearing and it just built from
15 one to the other, and that he isn't the only one that had
16 that characterization. There were others that did, too.

17 So I'm using the report, and I think that it's
18 easy to say, "Well, I didn't say it quite like that," but
19 really, what did you mean otherwise and why was it your
20 business?

21 THE WITNESS: First of all, my job in the
22 Governor's office when I work on education policy is to
23 work the -- to advance the Governor's agenda, ensure that
24 every child in the state of Maine is receiving a quality
25 education, one that prepares them for a successful future

1 for careers. And the Governor lacked confidence in the
2 selection process and the selection that the Board made.
3 That was my unequivocal message.

4 Communicating to Mr. Moore that the Governor
5 lacked confidence in the decision their board has made,
6 I'm not surprised that he took that as a lack of the
7 Governor's support because he lacked confidence in their
8 decision-making about the management of the school.

9 And, Representative, I don't know -- I don't
10 engage in the type of tactics that you suggest where I
11 believe in hammers, so rhetorical devices aside, my clear
12 intent was to let the board of the school know that the
13 Governor disagreed. And my real intent of the phone call
14 was to let them know that the Governor had decided to send
15 them a letter that contained the same information I was
16 conveying right then. And so that was what I intended.
17 That is what I said. I cannot speak to the exact words.
18 I'm not sure that Chairman Moore was trying to tell you
19 the exact words. But if he took from me saying that the
20 Governor lacked confidence in the decision the Board had
21 made and how they were managing the school, that the
22 Governor no longer supported them, I can understand why he
23 would draw the conclusion.

24 SENATOR KATZ: Yes, Representative.

25 REP. MASTRACCIO: Thank you, Mr. Chair. So what

1 was your intent, though? I mean, so I say this to them
2 and then what did you expect them to do? You expected
3 them to ignore you, to -- I mean, what was the point then
4 if you didn't have anything that you could or knew that
5 was going to be held over them, what was the point of what
6 you were -- of the whole conversation?

7 THE WITNESS: Again, Representative, I don't
8 engage in the type of thing where I hold something over
9 someone. If that's something that you do, that's a
10 decision for you to make.

11 Now, I don't engage in that and that is not the
12 intention. If you read the Governor's letter on June 8th
13 that I was calling to let Chairman Moore know about, the
14 Governor says, "I'd encourage you to continue your search
15 process." It was not known at that time whether the
16 Speaker had signed a contract or whether the decision had
17 been voted on by the board. It was not something that I
18 knew. It's not something I believe the Governor knew.
19 And so we were intending to say if the Board has not made
20 a final decision here, we don't think that's a qualified
21 candidate and we'd encourage you to -- the Governor wanted
22 to encourage the Board to continue the selection process.

23 That's the message that the Governor intended to
24 deliver in the letter, and I didn't mean to convey
25 anything other than that during my communication to Jack

1 Moore.

2 SENATOR KATZ: Mr. Chadbourne, you mentioned the
3 selection process and I did want to ask you about that
4 because you said a few moments ago that the Governor had
5 no confidence in two things. One was the selection
6 process and the second was the result of that selection
7 process. We've talked a lot about the second, but we now
8 know there was a selection process. It involved
9 advertising and applications and rounds of interviews and
10 the rest. When did you first become aware, if you did,
11 before the report came out about what that selection
12 process was?

13 THE WITNESS: I believe I knew that they were
14 conducting a search for a president. I think it had been
15 a topic of conversation that there was a search while --

16 SENATOR KATZ: Well, that's not my question.
17 Obviously, there was a search.

18 THE WITNESS: Yes, I became aware. So I think
19 the first time I heard anything of the search was in April
20 when we met with the school.

21 Second, I didn't learn anything else about that
22 search until Commissioner Desjardin met with the Governor
23 on I think Friday, June 5th.

24 SENATOR KATZ: I'm not talking about whether
25 there was a search or not. I'm talking about the

1 selection process, about how it was that they came to the
2 conclusion about hiring someone, applications, interviews,
3 bidding, second rounds of interviews, campus visits, all
4 the rest of it. When did you first learn before the
5 report came out about what the actual selection process
6 had been?

7 THE WITNESS: I think Chairman Moore may have
8 mentioned a couple of the details about it, but not any
9 great depth during our conversation when he was trying to
10 explain why the committee had a different perspective than
11 the Governor on the selection (indiscernible).

12 SENATOR KATZ: And what is your knowledge about
13 what, if anything, the Governor learned about the actual
14 selection process that Good Will-Hinckley had engaged in?

15 THE WITNESS: I don't know what all the Governor
16 has heard outside of what's been in the report.

17 SENATOR KATZ: So when you say that there was a
18 lack of confidence in the selection process as opposed to
19 result, what do you mean?

20 THE WITNESS: I think when the Governor learned,
21 number one, that when he went to write his letter to the
22 chairman of the board as well as chairman of the Maine
23 school and he discovered that the chairman of the Maine
24 school board was a staffer in Speaker Eves' office, it
25 didn't pass the straight-face test for him.

1 SENATOR KATZ: What knowledge did the Governor
2 have about what involvement that person had or did not
3 have in the selection process; do you know?

4 THE WITNESS: Again, I believe it's what's
5 contained in your report. I don't think he has any
6 additional knowledge.

7 SENATOR KATZ: Okay. And he learned it from the
8 report?

9 THE WITNESS: I'm not sure where he's learned
10 it, but I do know that he's aware.

11 SENATOR KATZ: Thank you. Thank you very much.
12 Are there other questions, Representative Mastraccio?
13 Excuse me, Senator Johnson first.

14 SENATOR JOHNSON: Thank you, Mr. Chair.

15 Going back that same timeframe and the Governor
16 had already communicated in a letter during the search and
17 selection process his feeling regarding Speaker Eves, my
18 understanding. What was he hoping to accomplish through
19 now having heard that there was a selection leaning
20 towards -- didn't know regarding the hiring yet. That was
21 later in the day, that was Speaker Eves. What was your
22 aim in having this additional conversation, this
23 additional letter, why would the Governor feel that this
24 decision that the Good Will-Hinckley Board is authorized
25 under statute and the charter and bylaws to make such a

1 decision should be communicated about once again?

2 THE WITNESS: To my knowledge, Senator, this is
3 the only letter that I was involved in and it was what the
4 Governor asked. He wanted to make known to the Board that
5 he disagreed with their decision, and that's a letter that
6 he sent on June 8th.

7 SENATOR KATZ: Thank you. Representative
8 Deschesne.

9 REP. DESCHESSNE: Thank you, Senator, and thank
10 you for testifying today.

11 THE WITNESS: Good to see you, Representative.

12 REP. DESCHESSNE: Precedence notwithstanding,
13 Baxter, for instance, this is actually the first time
14 funding was withheld for anything. We have a factual
15 circumstance where funding was withheld. The Governor has
16 expressed that this was a bad decision, encouraged the
17 search, but when that didn't happen, the funds were
18 withheld.

19 The people in the OPEGA report felt that there
20 was a threat conveyed by you or somebody. The threat
21 actually was carried out. How do we reconcile these two?

22 THE WITNESS: In terms of the check that was not
23 sent, I'd have to direct you to the Active Commissioner.
24 I had no involvement with that.

25 REP. DESCHESSNE: I thought that was probably

1 what you would say and I suspect you're right.

2 Were you aware of the Governor instructing
3 anyone else to convey concerns about funding to Good Will-
4 Hinckley?

5 THE WITNESS: I had no direct knowledge of that,
6 no.

7 REP. DESCHESENE: In the Channel 8 interview, the
8 Governor said about cutting off the funding, "I did it.
9 Why wouldn't I?" Now, you were not involved in that
10 decision whatsoever?

11 THE WITNESS: Correct.

12 REP. DESCHESENE: Right. And you weren't
13 directed by anybody or you didn't direct anybody to carry
14 out the funding cutoff?

15 THE WITNESS: Correct.

16 REP. DESCHESENE: Perfect, thank you.

17 SENATOR KATZ: Thank you. Senator Diamond.

18 SENATOR DIAMOND: Thank you, Mr. Chairman.

19 Good morning, Mr. Chadbourne.

20 THE WITNESS: Good to see you, Senator.

21 SENATOR DIAMOND: Thank you for being here.

22 Just I need to take you to a different date. I just need
23 to tie some ends up here.

24 THE WITNESS: Okay.

25 SENATOR DIAMOND: On May 15th, the Board of

1 Directors at Hinckley voted unanimously to hire Speaker
2 Eves. On May 22nd, Mr. Moore met with Mr. Desjardin, the
3 Acting Commissioner, and discovered his discomfort. And
4 according to the report and according to Mr. Desjardin'
5 interpretation, at least, offered the job to Mr. Desjardin
6 after a week earlier having voted with the Board
7 unanimously to hire Mr. Eves. Were you aware of that and
8 do you know why -- was that something the Governor had
9 asked Mr. Moore to do or had he had any conversation with
10 you or anyone else that you know of that would suggest to
11 Mr. Moore that he offer the job to Mr. Desjardin?

12 THE WITNESS: The first knowledge I had of any
13 of this was on Monday, June 8th -- Friday, June 5th, when
14 the Commissioner spoke to the Governor about it.

15 SENATOR DIAMOND: Okay. So anything that
16 happened prior to that --

17 THE WITNESS: I had no knowledge.

18 SENATOR DIAMOND: -- I had no knowledge at all.
19 Thank you.

20 SENATOR KATZ: Thank you, Senator.
21 Representative Mastraccio.

22 REP. MASTRACCIO: Thank you, Mr. Chair.

23 I just want to follow up on that conversation
24 where Mr. Moore really came out of that meeting with you
25 thinking, you know, funding. Did he actually ask you --

1 did Mr. Moore ask you if the funding for Good Will-
2 Hinckley was in jeopardy at that meeting?

3 THE WITNESS: No.

4 REP. MASTRACCIO: So he just kind of
5 manufactured that out of thin air?

6 THE WITNESS: You have to ask him.

7 REP. MASTRACCIO: We did, and he told us you
8 told him.

9 THE WITNESS: I don't believe he's ever said
10 that I made any comments about the funding for Good Will-
11 Hinckley.

12 REP. MASTRACCIO: "The funding was in jeopardy"
13 were the words that were used.

14 THE WITNESS: I don't believe he's ever said
15 that I said that, and I certainly never said that,
16 Representative.

17 REP. MASTRACCIO: So you're denying that he got
18 that impression from somebody else?

19 THE WITNESS: I'm not denying anything about his
20 impression. You'll have to ask him about his impression
21 or what he thought based on what I said, but I'm telling
22 you that I never discussed the funding.

23 REP. MASTRACCIO: I'm just telling you that we
24 asked him and in his mind Good Will-Hinckley was in
25 jeopardy and that was conveyed to him by you.

1 THE WITNESS: Again, I'm not going to dispute
2 whatever conclusions he may have drawn from our
3 conversation, but it is not something I ever spoke to him
4 about or said in words.

5 SENATOR KATZ: Thank you. Any further questions
6 for Mr. Chadbourne.

7 Thank you very much for being here. I forgot to
8 ask you --

9 UNIDENTIFIED SPEAKER: Senator Johnson.

10 SENATOR KATZ: Oh, I'm sorry, pardon me.
11 Senator Johnson.

12 SENATOR JOHNSON: Thank you, Mr. Chair.

13 Did you in that same meeting ever discuss the
14 budget and the work going on in the budget?

15 THE WITNESS: In which meeting, sir?

16 SENATOR JOHNSON: The meeting with Mr. Moore.

17 THE WITNESS: I only had a brief conversation
18 with him by phone, and no, we never discussed the budget.

19 SENATOR KATZ: Anything further? Mr.
20 Chadbourne, can you confirm that the records which you've
21 produced today are all the records you had in your
22 possession that met the description of what we were
23 looking for by way of subpoena?

24 THE WITNESS: That is my impression. We had
25 provided some documents under earlier requests of Director

1 Ashcroft --

2 SENATOR KATZ: Right.

3 THE WITNESS: -- and my (indiscernible) to
4 provide you any documents that I would have provided at
5 that time.

6 SENATOR KATZ: These copies that can be kept by
7 the Committee or the originals that need to be returned --

8 THE WITNESS: I think they're all copies that I
9 think you can keep.

10 SENATOR KATZ: Okay. Thank you very much.
11 Thank you for being here this morning.

12 THE WITNESS: Thank you.

13 SENATOR KATZ: The next person we have
14 subpoenaed to be here is Cynthia Montgomery. Good
15 morning, Counselor. Also represented by Mr. Ruprecht.
16 Good morning.

17 MR. RUPRECHT: Good morning.

18 SENATOR KATZ: You can only charge for the
19 total, not for each client; you know that?

20 MR. RUPRECHT: Correct.

21 SENATOR KATZ: Okay.

22 MR. RUPRECHT: I don't charge by the client, I
23 charge by the tenth of the hour as you probably do.

24 SENATOR KATZ: I'm sure you're enjoying your 20
25 hours here today, Counsel.

1 MR. RUPRECHT: Senator, you do our profession no
2 good by your joke. We don't need more lawyer jokes.

3 SENATOR KATZ: Good morning, Ms. Montgomery.
4 Thank you for being here.

5 MS. MONTGOMERY: Good morning.

6 SENATOR KATZ: Do you have a statement you would
7 like to make?

8 MS. MONTGOMERY: I do.

9 SENATOR KATZ: Please go ahead.

10 (NOTE: MS. MONTGOMERY WAS NOT SWORN AT THIS POINT)

11 MS. MONTGOMERY: Senator Katz, Representative
12 Kruger, and members of the Government Oversight Committee,
13 I'm Cynthia Montgomery, Chief Counsel for Governor Paul
14 LePage.

15 SENATOR KATZ: Excuse me, Ms. Montgomery, pardon
16 me.

17 MS. MONTGOMERY: Yes.

18 SENATOR KATZ: I forgot to swear you in. Could
19 you raise your right hand?

20 MS. MONTGOMERY: Oh.

21 SENATOR KATZ: Do you swear the testimony you're
22 about to give is the truth, the whole truth, and nothing
23 but the truth?

24 MS. MONTGOMERY: I do.

25 SENATOR KATZ: Thank you. Go ahead.

1 Whereupon,

2 CYNTHIA MONTGOMERY,

3 after having been duly sworn, was examined and testified
4 as follows:

5 THE WITNESS: Aaron and I didn't collaborate on
6 our opening statements, so I didn't prepare to introduce
7 myself to you, so you'll have to be talking to a complete
8 stranger.

9 In the interest of using our time most
10 efficiently, I do want to begin by letting you know that
11 my direct firsthand knowledge of the events that are the
12 subject of your investigation is very limited. My first
13 real involvement in these events did not begin until June
14 23rd when Attorney David Webbert gave me a call on behalf
15 of the Speaker. That's not to say that I was completely
16 unaware of the Governor's objections to Speaker Eves being
17 hired by Good Will-Hinckley, but I wasn't directly
18 involved in those events.

19 In sum, there are three events that are
20 mentioned in the OPEGA report that I have firsthand
21 knowledge of and can certainly speak to you about. The
22 first is my communication with Attorney Webbert.

23 Secondly, I was present at the cabinet meeting
24 that Deputy Commissioner Desjardin mentioned.

25 And third, I did reach out to Jack Moore at the

1 end of July or probably earlier than that, but tried to
2 schedule an interview for the end of July in anticipation
3 of the litigation that Attorney Webbert had suggested he
4 would be filing.

5 I never did conduct that interview with Mr.
6 Moore because the veto questions arose and, of course, we
7 prepared for that toward the end of July, early part of
8 August. And in that interim, outside counsel was obtained
9 for the Governor, so I never did conduct that interview.

10 With respect to these three events, I am
11 certainly more than willing to answer any questions you
12 may have.

13 I also would like to address some of the
14 speculation regarding my willingness to answer your
15 questions. As you know, up until today I have declined
16 all invitations to answer questions about the Governor's
17 and Speaker's dispute. I do want to make it clear that I
18 haven't refused to be here out of fear or a desire to hide
19 anything or as a result of any disrespect for this
20 committee or the work that you have to do. I do recognize
21 and understand that you have a job to do. I hope that
22 you'll see that I do as well.

23 When OPEGA released its report, I did find it to
24 be both thorough and comprehensive in terms of what I
25 actually knew. I believe then and believe now that the

1 relevant facts have been found and fully identified. I'm
2 here today because it did become clear last month with
3 your vote to issue subpoenas that some of you thought I
4 might have additional factual information that's critical
5 to your inquiry. Based on my reading of the OPEGA report,
6 I don't think that's the case, but to the extent I am able
7 to contribute to the fact-finding, I'm prepared to do
8 that.

9 And with that, I'm ready to answer your
10 questions.

11 SENATOR KATZ: Thank you very much. Chairman
12 Kruger.

13 REP. KRUGER: Thank you, Mr. Chair, and thank
14 you, Ms. Montgomery, for being here today. We appreciate
15 it.

16 THE WITNESS: Thank you.

17 REP. KRUGER: When and how did you first learn
18 that Speaker Eves had been hired or was in the process of
19 being hired for the position as president of Good Will-
20 Hinckley?

21 THE WITNESS: That's a difficult question for me
22 to answer, and I'll tell you why. I remember kind of in a
23 -- you know how you can kind of know things are going on
24 the background, so I certainly like knew about the
25 Governor's letter in the newspaper. I heard or overheard

1 people talking about Good Will-Hinckley. As I said, I was
2 present at the cabinet meeting, so I heard a comment
3 there.

4 In terms of actually knowing specifically that
5 Good Will-Hinckley had hired the Speaker, you know, and
6 that the Governor may or may not have said something about
7 funding, that kind of thing, I really learned about that
8 from Attorney Webbert, the details.

9 REP. KRUGER: And that was later on in June?

10 THE WITNESS: It was later, third week of June.
11 I think the report says June 23rd, and that seems about
12 right.

13 REP. KRUGER: Did you have any knowledge prior
14 to this time that the Speaker had applied for or was being
15 considered for the position?

16 THE WITNESS: No, I mean, not until I heard that
17 he had been hired. I didn't know anything about that
18 prior to that.

19 REP. KRUGER: Did you have a specific reaction
20 when you did hear the news?

21 THE WITNESS: Personally?

22 REP. KRUGER: Yeah.

23 THE WITNESS: No.

24 REP. KRUGER: To your knowledge, when and how
25 did the Governor first learn about Speaker Eves' hiring

1 for this job or if he was in the process of being hired?

2 THE WITNESS: I have no direct knowledge. I
3 mean, I've heard Mr. Chadbourne's testimony today. I read
4 the OPEGA report, but I personally directly did not -- I
5 don't know.

6 REP. KRUGER: Could you tell us what you know of
7 what the Governor's reaction was when he did hear the
8 news? Any particular action or people that he contacted?

9 THE WITNESS: The only thing I can tell you
10 about -- I assume it's the cabinet meeting. I know he
11 made an offhand comment at the cabinet meeting about
12 Speaker Eves being hired, so you know, that's the best I
13 can --

14 REP. KRUGER: But you didn't hear or witness any
15 reaction from the Governor?

16 THE WITNESS: Upon him first learning? No.

17 REP. KRUGER: Okay. Did anything else occur
18 between the 5th of June and the 8th of June that was in
19 regard to these matters and the Governor or the education
20 staff?

21 THE WITNESS: Nothing I had direct knowledge of.

22 REP. KRUGER: And he didn't ask you to get
23 involved in any way at that point?

24 THE WITNESS: To the extent you're asking about
25 any communication between me and the Governor

1 specifically, I -- communications between me and the
2 Governor would be protected by attorney-client privilege.
3 And that privilege belongs to the client, not the
4 attorney. So the extent you want to delve into those
5 conversations, I'm afraid that I just can't answer your
6 questions.

7 SENATOR KATZ: Can I ask, if I could? Are you
8 saying that there were conversations, Ms. Montgomery,
9 you're just not prepared to talk about them because of a
10 claim of attorney-client privilege?

11 MR. RUPRECHT: Senator Katz, if I may, I believe
12 what the witness is telling you is that she is the
13 standing counsel to the Governor. She has routine
14 conversations with the Governor that are attorney-client
15 privilege conversations.

16 If you're asking has she had any privileged
17 conversations of any kind with the Governor, the answer to
18 that question is clearly yes. If you're asking her to
19 confirm whether her privileged conversations with the
20 Governor include particular topics, that, too, is a
21 privileged matter.

22 SENATOR KATZ: Well, let's talk about that for a
23 minute because I respectfully disagree. The attorney-
24 client privilege when it comes to public attorneys is
25 extremely limited. So if I might ask this question, Ms.

1 Montgomery, did you have discussions with the Governor
2 with respect to the Good Will-Hinckley hiring decision
3 other than the ones you've told us about? I don't, with
4 all due respect, even that is not protected by the
5 attorney-client privilege even for private attorneys
6 whether the subject was discussed. Are you prepared to
7 answer that question?

8 THE WITNESS: (Indiscernible)

9 (PAUSE)

10 One thing I would like to do is I do want to
11 stand by my testimony that initially when all this was
12 kicking off, June 5th and 8th and I think that was
13 initially the question between June 5th and 8th, I really
14 was not involved and don't have direct knowledge of
15 anything that happened up until really June 23rd.

16 SENATOR KATZ: Okay. So I apologizes for
17 interrupting, Mr. Chairman, but --

18 MR. KRUGER: That's all right.

19 SENATOR KATZ: -- so your testimony here is that
20 you did not have any discussions with the Governor about
21 the subject of the Good Will-Hinckley hiring decision at
22 least until June 23rd; is that your testimony?

23 THE WITNESS: My testimony is I don't have any
24 direct knowledge about any of those events before June
25 23rd.

1 SENATOR KATZ: So the answer to my question is
2 no, you did not have any discussions with the Governor
3 before June 23rd on the subject of the Good Will-Hinckley
4 hiring decision?

5 THE WITNESS: To the extent that you're asking
6 me to confirm about -- confirm a subject matter that I may
7 have had a discussion with my client about, I'm refusing
8 to answer.

9 SENATOR KATZ: All right. Perhaps at this point
10 we might hear from -- well, let me ask Attorney Ruprecht
11 this question because the rule, as you know better than I,
12 with respect to government lawyers is very limited. Let
13 me read you that rule and ask you to tell us how this
14 plays out here this morning.

15 But Rule 502 which talks about attorney-client
16 privilege says, "The lawyer-client privilege does not
17 apply to communications between a public officer and its
18 lawyers and only if there's a finding that disclosure of
19 that conversation would seriously impair the public
20 officer's ability to process a claim or carry out a
21 pending investigation, litigation or proceeding in a
22 public interest. The lawyer-client privilege would only
23 apply to those communications."

24 So how is answering the question about whether
25 she talked to the Governor about the Good Will-Hinckley

1 matter be covered by that rule?

2 MR. RUPRECHT: Senator Katz, respectfully, there
3 are two issues. One is the question of an evidentiary
4 privilege and the privilege rules and the rules of
5 evidence. And the other is the ethical duties that you
6 and I and Ms. Montgomery and licensed lawyers owe to our
7 clients to maintain confidences and secrets, which is
8 broader than the attorney-client privilege, and that is a
9 duty that is binding on us.

10 I think that Ms. Montgomery has tried to tell
11 you the nature of her involvement in these affairs, which
12 is very limited, but now I think you're pressing her to
13 answer a question that neither you, nor I, nor any
14 licensed lawyer would be comfortable answering which is a
15 question from a person saying, "I know that you are this
16 person's lawyer, and I know that you have privileged
17 conversations with them about -- conversations to give
18 them legal advice. And all I'm asking you is do your
19 conversations include this particular topic?" And that
20 strikes me as not fair game and one that any lawyer would
21 be comfortable answering just voluntarily without checking
22 with their client. That doesn't strike me as it should be
23 particularly puzzling to any lawyer.

24 As far as the evidentiary rule and the scope of
25 the attorney-client privilege for public officials, as you

1 know the matter that is --

2 SENATOR KATZ: I'm sorry, go ahead, sir.

3 MR. RUPRECHT: -- the matter that is under
4 consideration here, as you know, and as Ms. Montgomery has
5 told you, her involvement started with a call about
6 private litigation between Speaker Eves apparently in his
7 personal capacity as a private citizen against the
8 Governor individually, and he sought out counsel. I mean,
9 we know he sought out counsel on that matter, and that his
10 how her involvement started.

11 So we get into an area that is very
12 uncomfortable and that really -- I'm not sure it bears on
13 the Committee's investigation. Ms. Montgomery has had no
14 involvement in the matters that are really laid out in the
15 subpoena, that is, discussions about funding, policy-
16 making discussions about funding, discussions with Good
17 Will-Hinckley about the hiring, discussions with Good
18 Will-Hinckley or MeANS or anybody about the selection of
19 Speaker Eves, and she's told you that already. And it
20 feels like we're simply pressing a lawyer as far as we can
21 to the point that would make any lawyer really
22 uncomfortable, and I'm not clear to what purpose.

23 SENATOR KATZ: Well, are you suggesting, sir,
24 that her testifying that she never discussed something
25 with the Governor would somehow violate attorney-client

1 privilege?

2 MR. RUPRECHT: I think that when you have
3 someone who is your standing counsel who anybody can
4 expect you routinely consult with on legal matters, I
5 think the question "Do your consultations with your client
6 include this topic?" that's really no different than
7 asking a lawyer, "Did your discussions with your client
8 cover this aspect or that aspect of a legal issue?"

9 REP. KRUGER: Yes, Mr. Chair, I've got some
10 questions that I think we're a little bit stalled on and I
11 suspect maybe other members of the Committee do, too, and
12 I'm going to request that the Committee go into executive
13 session with Counsel to discuss this; is that agreeable?

14 SENATOR KATZ: Discuss with Deputy Attorney
15 Pistner?

16 REP. KRUGER: Yes, with Chief Deputy Attorney
17 General Linda Pistner and our staff.

18 SENATOR KATZ: Discussion with respect to the
19 motion.

20 UNIDENTIFIED FEMALE SPEAKER: Formally, I don't
21 know if you want to refer to the motion that references --

22 REP. KRUGER: Right.

23 UNIDENTIFIED FEMALE SPEAKER: -- (indiscernible).

24 REP. KRUGER: Right, right. I'm sorry, yes, I
25 should have done that. I have that. I'm sorry, I thought

1 I had the motion right here, but I don't.

2 I move that the Committee go into executive
3 discussion -- session to discuss information obtained in
4 executive session made confidential by Title 3, Section
5 427. Did I get that wrong?

6 Restating my motion, I move that the Committee
7 enter executive session to take testimony of witness? No.
8 I'm sorry. It doesn't sound right. Oh, I'm sorry. My
9 apologies to everyone that I'm stumbling here. I wasn't
10 ready to make this.

11 In accordance with Title I, Section 405-6(e), I
12 move that the Government Oversight Committee go into
13 executive session to consult with our attorney concerning
14 our legal rights and duties in connection with the
15 situation we're in right now with a witness refusal to
16 answer on attorney-client privilege.

17 REP. MASTRACCIO: Second.

18 SENATOR KATZ: Discussion with respect to the
19 motion? Seeing none, all in favor?

20 UNIDENTIFIED FEMALE SPEAKER: There's a hand up.

21 SENATOR KATZ: I'm sorry, pardon me. Senator
22 Diamond.

23 SENATOR DIAMOND: Thank you, Mr. Chairman. I'm
24 really -- I'm uncomfortable going into executive session
25 on this issue. I just want to say that. And I guess

1 could we be a little more specific as to what we're going
2 to be dealing with with Ms. Pistner on this question?

3 I'm sure a lot of folks would like to have us go
4 into executive session for a lot of reasons, so I really
5 am very uncomfortable with that. So could we be a little
6 more specific about this?

7 REP. KRUGER: I think the purpose of executive
8 session would be to get advice from our attorney about
9 whether or not we should press forward with inquiring
10 about conversations Ms. Montgomery may have had with the
11 Governor on the subject.

12 MR. DIAMOND: And that would be the only
13 question, Mr. Chairman?

14 REP. KRUGER: That would be it.

15 SENATOR KATZ: Senator Johnson.

16 SENATOR JOHNSON: Thank you, Mr. Chair. To
17 clarify so that the question whether to press forward be a
18 matter of our understanding what our legal rights and
19 powers are versus those that have been communicated, where
20 the line is drawn on what we may proceed with within the
21 law?

22 REP. KRUGER: That's right.

23 SENATOR KATZ: Further discussion? If we --
24 well, all in favor? Opposed? Motion carries.

25 We're going to briefly be in executive session,

1 and rather than asking all of you to leave, I think what
2 we're going to do is go into the -- try to go into this
3 little conference room off the hearing room to talk about
4 our counsel. We won't be very long. Thank you.

5 (OFF RECORD)

6 SENATOR KATZ: Okay, we're going to reconvene
7 the meeting of the Government Oversight Committee, and we
8 apologize to everybody for having gone into executive
9 session. I just want to make sure everybody understands
10 why.

11 This question about attorney-client privilege,
12 we needed to hear from our counsel, if you will, legal
13 advice about what the parameters of that rule are, and
14 it's appropriate for us to have done that in executive
15 session. That's the only thing we talked about. I can't
16 tell you what the discussion was and no one here will
17 because that's the whole deal with executive sessions, but
18 there was nothing nefarious.

19 So we're ready to go ahead. And I've spoken
20 with Counsel Ruprecht about this, about where we're coming
21 down on this issue, and there may be specific objections
22 to questions going forward, but the attorney-client
23 privilege when it relates to public officials is extremely
24 narrow. It's governed by a specific rule of evidence.
25 And just to read the beginning of it again, "The lawyer-

1 client privilege does not apply to communications between
2 a public officer or agency and its lawyers. However, if
3 the court," or in this case the committee, I guess,
4 "determines that disclosure will seriously impair the
5 public officer's or agency's ability to process a claim or
6 carry out a pending investigation, litigation, or
7 proceeding in the public interest, the lawyer-client
8 privilege will apply to communications concerning the
9 pending investigation claim or action." There's a lot of
10 fancy language, but at least it's clear to me as a chair
11 it doesn't apply here.

12 So what we're going to ask is that Ms.
13 Montgomery answer questions about her conversations with
14 the Governor on the subject of this matter except to the
15 extent that if the Governor is asking her for advice, that
16 that statement by the Governor asking for advice or
17 anything Ms. Montgomery may have told him in terms of
18 giving advice would be privileged, but nothing else would.
19 So I hope that's relatively clear moving ahead. And this
20 is a pretty new area for Maine law to even be dealing
21 with, so thank you for your indulgence in letting us talk
22 it through.

23 So why don't we go ahead and, Ms. Montgomery,
24 let me ask you this question. At any time did you have
25 discussions with the Governor about the decision by Good

1 Will-Hinckley to hire the Speaker or what implications
2 might be for funding of the school by that decision?

3 THE WITNESS: While you were in executive
4 session, I did have the opportunity to consult with my
5 client and I'm authorized --

6 SENATOR KATZ: Your attorney -- oh, your client,
7 excuse me for interrupting.

8 THE WITNESS: My client, yes.

9 SENATOR KATZ: Thank you.

10 THE WITNESS: And my attorney, as a matter of
11 fact, but I'm authorized to answer your question no, I did
12 not have those discussions.

13 SENATOR KATZ: At any time?

14 THE WITNESS: Correct.

15 SENATOR KATZ: Before or after June 23rd, which
16 I think was the date we were using in the earlier
17 questions?

18 THE WITNESS: June 23rd was the date that I
19 really got involved in the whole situation.

20 SENATOR KATZ: Okay.

21 THE WITNESS: So if you're -- maybe I need a
22 little clarification because I do want to be clear that
23 I'm authorized to answer the question that no, we did not
24 have those discussions. I think the original question was
25 about between June 5th and June 8th, but I might be wrong

1 about that.

2 SENATOR KATZ: Well, let me ask you this. What
3 was the date you were contacted by Attorney Webbert, who's
4 the Speaker's attorney?

5 THE WITNESS: I believe it was June 23rd.

6 SENATOR KATZ: Okay. So before you were
7 contacted by the attorney for the Speaker and became aware
8 that litigation was a possibility, you had no
9 conversations with the Governor on the subject matter of
10 the Good Will-Hinckley funding issue or the Speaker's
11 hiring; is that your testimony?

12 THE WITNESS: That's correct.

13 SENATOR KATZ: Thank you very much.

14 REP. KRUGER: Just -- we may have already gone
15 through this, but could you remind me, were you present at
16 the cabinet meeting on June 9th?

17 THE WITNESS: Yes, I was.

18 REP. KRUGER: Do you have any memory of the
19 Governor reacting to the news at that cabinet meeting of
20 Mark Eves' hiring?

21 THE WITNESS: I remember the Governor making one
22 comment perhaps. It was an offhand, "Can you believe they
23 hired somebody who's not qualified?" or "I can't believe
24 they hired Mark Eves," or it was something like that. It
25 was one comment. I've given you two, but that was the

1 nature of the comment. And I wouldn't characterize it as
2 even venting. I mean, it was a comment.

3 REP. KRUGER: So as you recall it, there wasn't
4 a discussion by the cabinet or at the cabinet meeting of
5 this particular item?

6 THE WITNESS: That's correct.

7 REP. KRUGER: There were other things,
8 obviously.

9 On the very last sentence on page 14 of the
10 OPEGA brief, it mentions Mr. Moore telling OPEGA that Mr.
11 Chadbourne contacted him at some point to inform Mr. Moore
12 that a lawyer would like to speak with him. You've
13 provided emails to the Committee, which we appreciate,
14 that show that you contacted Mr. Moore on July 20th
15 expecting that Mr. Chadbourne had already mentioned this
16 to him.

17 THE WITNESS: Yes.

18 REP. KRUGER: It also shows that you arranged a
19 meeting with Mr. Moore through Good Will-Hinckley
20 attorneys for Thursday, July 23rd, though you ended up
21 needing to reschedule that meeting. The emails do not
22 indicate anything about when that meeting was rescheduled
23 for. Can you tell us your purpose in contacting and
24 wanting to meet with Mr. Moore and did you meet with him
25 and what was discussed?

1 THE WITNESS: The purpose -- really the reason I
2 reached out to him was by that time it was clear that
3 litigation was, in fact, going to be filed. I can't
4 remember when the lawsuit was actually filed, but it was
5 around -- that's what I wanted to talk to Mr. Moore about,
6 was in anticipation of litigation because I had received
7 the phone call from Attorney Webber prior to that.

8 We never did end up actually rescheduling the
9 meeting and I did not interview him, as I mentioned,
10 because the veto issues arose, and that was a pretty
11 intense three-week period there when I was occupied.

12 REP. KRUGER: Other than interactions and
13 communications that have already been discussed here,
14 please describe any additional interactions or
15 communications that you've had with anyone at Good Will-
16 Hinckley (indiscernible) or with their attorneys at any
17 time regarding the hiring of the Speaker?

18 THE WITNESS: There are none.

19 REP. KRUGER: Does that include funding issues?

20 THE WITNESS: That's correct.

21 REP. KRUGER: So the decision or the threat or
22 whatever of withdrawing funds, you were not consulted on
23 that matter?

24 THE WITNESS: I think you asked me if I had any
25 conversations with anyone at Good Will-Hinckley, and I did

1 not.

2 REP. KRUGER: Could you describe any
3 interactions and communications that you were involved in
4 with the Governor or others in the Governor's office on
5 this subject matter that we might not have mentioned so
6 far?

7 THE WITNESS: I believe the answer to your
8 question is there aren't any, so I would like to hear your
9 question again just to make sure.

10 REP. KRUGER: Actually, I'm trying to get to
11 what else we can flesh out in terms of the communications
12 in the Governor's office about the decision to withhold
13 funding. That's where I want to go.

14 THE WITNESS: Okay.

15 REP. KRUGER: And you're his attorney, I would
16 have assumed that the Governor would have talked to his
17 attorney about the decision to withhold funds, and I just
18 want to know if you've had any conversation on that
19 regard.

20 THE WITNESS: I did not have any conversations
21 with the Governor about the funding or withholding
22 funding. I had no conversations.

23 REP. KRUGER: Does that apply to Good Will-
24 Hinckley as well?

25 THE WITNESS: Yes. You mean people employed by

1 Good Will-Hinckley?

2 REP. KRUGER: Yeah.

3 THE WITNESS: That's correct. I didn't have any
4 conversations --

5 REP. KRUGER: Okay. So you were out of that
6 one.

7 THE WITNESS: -- with anyone who's with Good
8 Will-Hinckley except Mr. Moore, and it was just that time
9 period trying to schedule the interview and then we didn't
10 have it.

11 REP. KRUGER: Did you discuss or have any
12 interactions or communications with Commissioner Desjardin
13 about this subject material in this timeframe, May, June
14 and July?

15 THE WITNESS: I believe after the decision had
16 been made about the funding, I think that's when I heard,
17 you know, withholding the check, I believe that's when I
18 heard about it and I did hear about it from the Deputy
19 Commissioner.

20 REP. KRUGER: Could you describe any
21 communications or interactions you might have had with
22 Greg Powell or other representatives at the Harold Alfond
23 Foundation about funding?

24 THE WITNESS: None.

25 REP. KRUGER: You've had none?

1 THE WITNESS: None.

2 REP. KRUGER: Are you aware of any other
3 interactions and communications between the Governor or
4 other Governor staff with Mr. Powell or other
5 representatives of the foundation that have not been
6 covered in the OPEGA brief?

7 THE WITNESS: No.

8 REP. KRUGER: No. Have you had any interactions
9 or communications with the Speaker or his staff regarding
10 this? And, if so, when did they occur and what was
11 discussed?

12 THE WITNESS: No.

13 REP. KRUGER: Okay. The OPEGA brief does
14 describe some exchanges between you and the Speaker's
15 attorney on June 22nd and 23rd that you've mentioned. Are
16 you aware of any other interactions or communications
17 between the Governor or other people in the Governor's
18 office and the Speaker or the Speaker's attorney that have
19 not been captured in the OPEGA report?

20 THE WITNESS: No.

21 REP. KRUGER: At any time since OPEGA its review
22 on July 1st have you been involved in coordinating or
23 discussing with the Commissioner or others at DOE what
24 documents would be provided to OPEGA?

25 THE WITNESS: By discussing with them, I guess I

1 want to be clear. I didn't direct any production of
2 documents or that kind of thing. I did ask that a copy of
3 the documents provided to OPEGA be also given to me.

4 REP. KRUGER: At any time since OPEGA began the
5 review on July 1st, have you been involved in coordinating
6 or discussing with Mr. Moore or others at Good Will-
7 Hinckley what documents should be provided to OPEGA?

8 THE WITNESS: No.

9 REP. KRUGER: Are you aware of any conversations
10 or communications regarding documentation?

11 THE WITNESS: With people from Good Will-
12 Hinckley?

13 REP. KRUGER: Yes, with Good Will-Hinckley.

14 THE WITNESS: No. No.

15 REP. KRUGER: And would that also be true with
16 the Harold Alfond Foundation?

17 THE WITNESS: That's correct.

18 REP. KRUGER: Okay. So you were part of it.
19 Okay, that's my -- thank you.

20 SENATOR KATZ: Thank you. Further questions?
21 Representative Duchesne.

22 REP. DUCHESNE: Thank you, Senator. This is
23 just a quickie.

24 When the senior policy advisor informed the
25 Board president that you wanted to speak with the Board,

1 that was really just to get your own arms around the
2 situation. It was not under instructions from anybody
3 else?

4 THE WITNESS: That's correct.

5 REP. DUCHESNE: You were just prepping yourself.

6 THE WITNESS: Yes.

7 REP. DUCHESNE: Thank you.

8 SENATOR KATZ: Further questions? Senator
9 Johnson.

10 SENATOR JOHNSON: Thank you, Mr. Chair.

11 Ms. Montgomery, did you -- you described earlier
12 having no direct knowledge of the matters prior to the
13 23rd. Can you tell us who provided in the course of the
14 cabinet meeting on the 9th or other occasions before the
15 23rd any indirect knowledge? Who, if we want answers,
16 should we be consulting?

17 THE WITNESS: I'm not sure --

18 SENATOR JOHNSON: You were asked about your
19 knowledge of the funding discussions about responses,
20 reactions to Speaker Eves' hiring and basically stated
21 that you had no direct knowledge. Can you tell us what
22 indirect knowledge -- who was the source of the indirect
23 knowledge that came your way regarding those topics?

24 THE WITNESS: I'm not sure I totally understand
25 your question, but certainly Mr. Chadbourne had

1 information and Deputy Commissioner Desjardin had
2 information. I assume that's what you're asking.

3 SENATOR JOHNSON: And that's all you can recall
4 for any knowledge that you obtained indirectly regarding
5 the Good Will-Hinckley hiring and regarding the funding?

6 THE WITNESS: I can't think of anyone else. You
7 know, certainly, people were talking about it. I read
8 some of the newspaper reports, you know, that kind of
9 thing. There's definitely no one who hasn't been
10 identified by OPEGA or interviewed by them.

11 SENATOR JOHNSON: If I may ask another question.
12 In the cabinet meeting on the 9th, you said there was no
13 discussion of his Eves' hiring other than the offhand
14 comment and you indicated it happened.

15 THE WITNESS: That's my recollection.

16 SENATOR JOHNSON: Was there anything else
17 relevant to the MeANS school that was a topic of
18 discussion in that meeting?

19 THE WITNESS: Nothing that I remember.

20 SENATOR JOHNSON: Thank you.

21 SENATOR KATZ: Senator Diamond, sorry, then
22 Representative Mastraccio.

23 SENATOR DIAMOND: Thank you, Mr. Chair. I just
24 need to fill in some blanks here.

25 THE WITNESS: Sure.

1 SENATOR DIAMOND: Thank you for being here.

2 When were you hired to be the Governor's legal counsel?

3 THE WITNESS: Well, I've done two stints. Last
4 year for three months I filled in while Carly McLean, the
5 Governor's Chief Counsel, was out on leave, and then --

6 SENATOR DIAMOND: Excuse me, those three months
7 were when? When would that be?

8 THE WITNESS: I believe they were February,
9 March and April, March, April, May.

10 SENATOR DIAMOND: Of '14?

11 THE WITNESS: Sorry, '14, yes.

12 SENATOR DIAMOND: '14, yes.

13 THE WITNESS: And this year I was hired at the
14 beginning of February along with Mr. Chadbourne.

15 SENATOR DIAMOND: And that's as full-time legal
16 counsel?

17 THE WITNESS: Yes.

18 SENATOR DIAMOND: Does he have any other legal
19 counsel other than you?

20 THE WITNESS: There's a deputy legal counsel,
21 Hank Fenton, but other than that, we're it.

22 I should correct a little bit. I did at the
23 beginning of February I actually agreed to fill in until
24 the Governor's office might find legal counsel. And then
25 eventually, the Governor asked me to stay and so that's

1 when I really became full time permanent.

2 SENATOR JOHNSON: And how would you describe
3 your job responsibility with the Governor?

4 THE WITNESS: How would I describe it? The
5 scope of it is enormous. It's very challenging and --

6 SENATOR JOHNSON: Basically covering any and all
7 topics regarding legal issues?

8 THE WITNESS: Any and all topics. The scope is
9 huge.

10 SENATOR JOHNSON: Thank you.

11 SENATOR KATZ: Representative Mastraccio.

12 REP. MASTRACCIO: Thank you, Mr. Chair.

13 Ms. Montgomery, thanks for being here. I just
14 have -- and I apologize if you already answered this, but
15 I just can't recall it in going through the notes that I
16 have.

17 On June 22nd or the -- no, on June 23rd, that's
18 when the Speaker's attorney told OPEGA that the Governor's
19 chief counsel contacted him by telephone and informed him
20 that she had conferred with the Governor and he would not
21 withdraw his threat. Now, that's in the report. Is that
22 a good characterization of what happened from your
23 perspective?

24 THE WITNESS: Attorney Webbert and I had two
25 phone calls. He called me first to let me know he thought

1 he had a claim for constitutional retaliation, that he had
2 some case law for me to look at, and wanted to know if the
3 Governor would change his position with respect to the
4 Speaker. I told him I would get back with him.

5 So maybe on the 23rd is when I got back with
6 him. Maybe we talked on the 22nd, I got back on the 23rd,
7 or talked on the 23rd and I got back on the 24th,
8 whatever.

9 I got back with him and I didn't say the
10 Governor won't withdraw his threat. I said the Governor
11 is not inclined to change his mind about the Speaker. I
12 do recall saying that specifically.

13 REP. MASTRACCIO: So you specifically spoke to
14 the Governor then about the issue and asked him about it
15 or were you just giving that opinion based on yourself
16 about talking to him at all?

17 (PAUSE)

18 THE WITNESS: I do want to be careful. The
19 reason I'm pausing is, again, I want to protect
20 communications between the Governor and I that are
21 potentially privileged. But I agreed when I spoke to Mr.
22 Webbert the first time to talk to the Governor and then I
23 would call Mr. Webbert back after having done that, and
24 that's what I did.

25 REP. MASTRACCIO: Mr. Chair, I'm not quite sure

1 how to ask that question, but I would like to know that
2 conversation.

3 SENATOR KATZ: I think if you understood the
4 witness, the rules we discussed were that conversations
5 which she may have had with the Governor after it became a
6 real possibility that there might be litigation would be
7 protected by the attorney-client privilege.

8 REP. MASTRACCIO: So I'm not asking what advice
9 she gave him. I'm just asking so she did discuss with the
10 Governor the threat of the funding being withheld. Is
11 that a legal question to -- is that okay to ask?

12 SENATOR KATZ: Well, I think discussions that
13 she had with -- well --

14 REP. MASTRACCIO: I'm sorry, I'm not a lawyer.
15 I apologize.

16 SENATOR KATZ: My law professors would be
17 appalled that I'm in a position of being asked to rule on
18 anything, but I think that the distinction is that once
19 the Speaker's attorney called her and said, "There may be
20 litigation," that any conversations after that are off
21 limits.

22 REP. MASTRACCIO: And it isn't about that, so I
23 will abide by his ruling and not ask another one.

24 But you did say something about speaking with
25 Acting Commissioner Desjardin --

1 THE WITNESS: Yes.

2 REP. MASTRACCIO: -- about the funding issue or
3 did you ever ask -- did you ever have a discussion with
4 Commissioner Desjardin about whether the funding was in
5 jeopardy for Good Will-Hinckley or anything around that
6 area of issue, funding issue?

7 THE WITNESS: I didn't have a conversation like
8 the one you described, but after Commissioner Desjardin
9 had made the decision about holding the check, it was
10 sometime after that that he told me about having done
11 that. More than likely I really learned about that for
12 the first time in the press and then heard from him, but I
13 don't have a specific memory about that timing, so he did
14 talk to me about that, though, tell me about it.

15 REP. MASTRACCIO: But you don't remember what
16 the conversation, what it was about. Why would he bring
17 it up to you? I mean, I'm just --

18 THE WITNESS: I do remember.

19 REP. MASTRACCIO: Could you just -- would you
20 have a problem telling us what that conversation was?

21 THE WITNESS: No, I don't have a problem. He
22 told me that he was in a staff meeting of some sort, and
23 there was a point in the staff meeting where there was a
24 question about whether to hold a check, a check that was
25 going to Good Will-Hinckley. I remember him saying -- I

1 paused for quite a while and he told me his thought
2 process was it's easier to hold it than it would be to get
3 it back and that he then decided it should be held.

4 REP. MASTRACCIO: And the date of that? Do you
5 have a general --

6 THE WITNESS: That's the problem. I really --

7 REP. MASTRACCIO: In relation to the cabinet
8 meeting, in relation to --

9 THE WITNESS: I don't even know what --

10 REP. MASTRACCIO: Don't even know, okay.

11 THE WITNESS: -- day the staff meeting was, but
12 I'm sure that's in the OPEGA report, and it was definitely
13 after that had occurred.

14 SENATOR KATZ: Thank you, Representative. Other
15 questions for Attorney Montgomery? Senator Johnson.

16 SENATOR JOHNSON: Thank you, Mr. Chair.

17 Ms. Montgomery, I believe in your opening
18 statement you said something about having no knowledge
19 prior to June 23rd regarding these matters we've been
20 discussion. And moments ago you said that you spoke with
21 Attorney Webbert on the 21st?

22 THE WITNESS: I certainly didn't mean to say
23 that. If I did I misspoke.

24 SENATOR JOHNSON: Perhaps you could clarify for
25 us. Thank you.

1 THE WITNESS: There's a date in the OPEGA
2 report, I believe it's June 23rd, that OPEGA has found
3 that we spoke. And I think that there actually are emails
4 that would say for sure whether it was June 23rd or June
5 22nd.

6 Attorney Webbert and I had two conversations,
7 and I believe they were on two different days back to
8 back.

9 SENATOR JOHNSON: And what I think you said
10 moments ago was that he contacted you on the 21st with an
11 inquiry regarding whether the Governor would consider
12 rescinding his position on --

13 THE WITNESS: I think either it was the 22nd and
14 23rd or 23rd and 24th, is what I believe. I don't believe
15 it was June 21st.

16 SENATOR JOHNSON: Thank you.

17 SENATOR KATZ: Thank you. Just one other
18 question, if I could.

19 THE WITNESS: Sure.

20 SENATOR KATZ: It has to do with whether you
21 were involved in coordinating or discussing with anyone
22 what documents would be provided to OPEGA as part of the
23 review. And I think you said none, but wasn't there an
24 email from the Commissioner of Education asking you for
25 some guidance on what should be provided or not provided?

1 THE WITNESS: There was an email him asking me,
2 and I didn't really advise. I let him know that in my
3 opinion -- as you know, I raised some question about
4 OPEGA's jurisdiction with respect to examining the
5 Governor's exercise of executive authority. I let the
6 Commissioner know that I didn't think those same arguments
7 applied to agencies and, therefore, he, you know, would
8 need to respond to OPEGA, and I wasn't advising one way or
9 the other.

10 To be fair, I know that I did say to him and
11 probably Suzan Beaudoin, and I want to say Deb Plowman,
12 "If you're asked to testify, tell the truth." I remember
13 saying that specifically.

14 SENATOR KATZ: Thank you. And as I will with
15 every witness, I just want to inquire into documents.
16 You've produced all the documents that you are aware of in
17 response to the subpoena request?

18 THE WITNESS: Yes.

19 SENATOR KATZ: And they're copies, so we don't
20 need to give them back?

21 THE WITNESS: Correct.

22 SENATOR KATZ: Okay. Thank you very much.
23 Thank you for being here.

24 THE WITNESS: Thank you.

25 SENATOR KATZ: Thank you, Counsel, for being

1 here.

2 MR. RUPRECHT: Thank you.

3 SENATOR KATZ: The next person we have asked to
4 testify would be Tom Desjardin, and I'm not sure what your
5 title is these days, so I didn't say.

6 MR. DESJARDIN: Currently, Deputy Commissioner,
7 but for the context of the report and everything, anything
8 will suffice.

9 SENATOR KATZ: Sir, could you raise your right
10 hand. Do you promise or affirm the testimony you're about
11 to give will be the truth, the whole truth, and nothing
12 but the truth?

13 MR. DESJARDIN: I do.

14 SENATOR KATZ: Thank you. And just so everybody
15 is clear, Deputy Commissioner Desjardin had wanted to be
16 here for our last meeting, but because of a medical issue
17 was unable to do so, but he was quite adamant about the
18 fact that he wanted to be here. So thank you for being
19 here today, and we'd be pleased to hear from you with
20 respect to any statement you might want to make at the
21 beginning.

22 THE WITNESS: I don't other than to say that
23 part of my adventure over the last couple months involves
24 some damage to my lung, and on occasion I start coughing
25 loudly and what seems like dangerously, but it's just my

1 cough trying to fix a lung. It's not contagious. It's
2 not the flu, so if I burst into coughing, it has nothing
3 to do with anything that is serious or warranted or could
4 be passed on to folks. It's just bruised, basically.

5 SENATOR KATZ: Thank you.

6 THE WITNESS: And if my voice crackles a little,
7 it's because of that same thing.

8 SENATOR KATZ: Thanks.

9 Whereupon,

10 THOMAS DESJARDIN,
11 after having been duly sworn, was examined and testified
12 as follows:

13 SENATOR KATZ: So I've got a number of questions
14 I'd like to ask first, if I could, sir. First of all, you
15 had a lunch meeting with Jack Moore who is the Board Chair
16 of Good Will-Hinckley on May 22nd, I believe was the date.

17 THE WITNESS: Uh-huh.

18 SENATOR KATZ: And Mr. Moore talked with you
19 about what was going on at Good Will-Hinckley with their
20 hiring process. What did you understand the status to be
21 with respect to Good Will-Hinckley hiring the Speaker when
22 you left that luncheon meeting?

23 THE WITNESS: He told me on that day that the
24 search committee had reported out results, for lack of a
25 better description, that they had arrived at two

1 candidates, two finalists, if you will. There was a third
2 person that he was interested in that was not -- that had
3 not applied, was not considered, but wanted to ask me what
4 I felt about that person.

5 So at the time he said, "The committee has
6 arrived at Speaker Eves and a woman from Massachusetts as
7 the two," I think he referred to them as "finalists for
8 the position." And, again, he expressed an interest in
9 this other person who might also be a strong candidate,
10 but had not applied and that was part of the discussion.

11 SENATOR KATZ: Okay. Apparently, you left that
12 meeting with the understanding that Mr. Moore was asking
13 you if you might be interested in that job, and he had a
14 little different recollection, but could you tell us what
15 you recall about that part of the conversation?

16 THE WITNESS: There were three times during the
17 conversation, and I remember them at awkward times and not
18 in the context of back-and-forth discussion, when he said,
19 and I can quote exactly, "You know, you'd be great for
20 this position." And the first time I said "thank you" and
21 moved on with the discussion. The second time I didn't
22 think much. But after the third time, I started to
23 realize that there might be something more to just being
24 complimentary. So I said to him, "I appreciate it. I
25 thank you for your confidence. I'm just getting started

1 in the department. Things are going well at Education.
2 I'm not interested in leaving state government, but thank
3 you." And so that was pretty much the extent of the
4 conversation.

5 SENATOR KATZ: Do you recall did you tell the
6 Governor or anyone in the Governor's office about your
7 meeting with Mr. Moore and the fact that the Speaker was
8 at least being considered for the presidency there?

9 THE WITNESS: The next time I met with the
10 Governor was roughly, however many days it was on the 5th
11 of June. And as a policy advisor you meet with the
12 Governor almost daily. That was my hold habit as
13 Commissioner. I'm in the next building and don't catch up
14 with him like I used to.

15 So the next time I met with him was about the
16 logging program, so that was my first opportunity in the
17 normal schedule of things to sit down and say -- and raise
18 that issue because we had been working for a long time to
19 try to get Hinckley involved in a program and the arrival
20 of a new president would impact that in some way, so I
21 mentioned it at that meeting.

22 SENATOR KATZ: Okay. And there was a briefing
23 memo, apparently, written. I take it that you wrote that,
24 sir?

25 THE WITNESS: Yes.

1 SENATOR KATZ: And the memo apparently says that
2 the selection process at that point was complete, that
3 they had selected a candidate, and that that candidate was
4 going to begin on July 1; is that fair?

5 THE WITNESS: Uh-huh.

6 SENATOR KATZ: And did you mention in the
7 briefing memo who the successful applicant was?

8 THE WITNESS: No, I don't think I did, because a
9 day or two before, I don't remember this half of the
10 conversation, but I spoke with Rich Abramson who at the
11 time was on his way out as the interim president and so on
12 at Hinckley and I said -- we talked about the logging
13 program. And I don't remember this part of the
14 conversation, but he does and I certainly defer to his
15 memory of it. We discussed briefly that they had chosen a
16 new president, he would start July 1st and so on. So I
17 think I put that in the memo because that was part of my
18 discussion with him.

19 SENATOR KATZ: Well, it just strikes me as
20 somewhat odd that knowing that they had selected the
21 Speaker you didn't include his name in the memo. Is there
22 a reason for that?

23 THE WITNESS: No. And I'm not sure -- again, I
24 don't remember part of the conversation I had over the
25 phone with Mr. Abramson that referred to this part.

1 Again, I was focused on the logging program. I made two
2 or three other calls in the same half-hour about it to
3 other places, and so I'm not sure. He might have told me
4 that he was the Speaker. I knew the Speaker was one of
5 the two finalists, but I'm not sure I was thinking in
6 terms of making any big announcement to the Governor, just
7 that there was a change in leadership there which would --
8 another change in leadership, you know, since President
9 Cummings had left, and that they may impact whether or not
10 the school was ready to get underway with the program and
11 that sort of thing.

12 SENATOR KATZ: Well, in the June 5th meeting
13 with the Governor, did you tell the Governor that it was,
14 in fact --

15 THE WITNESS: I did, yes.

16 SENATOR KATZ: -- the Speaker who had been
17 picked for that role?

18 THE WITNESS: Yeah.

19 SENATOR KATZ: And what was the Governor's
20 reaction?

21 THE WITNESS: It was -- he was surprised, a
22 little shocked. I've certainly seen him give much
23 stronger reactions to other issues, but I think a lot of
24 it was, and we've discussed it in the cabinet, his comment
25 in the cabinet meeting had to do with the same sort of,

1 "Can you believe this --" sort of point of view or
2 expression, and he, you know, said -- but he supposed --
3 and he went down a list of things that, in his opinion,
4 did not make him an excellent candidate and was startled
5 to surprised that a school that he had invested so much
6 time and effort in the previous three years to keep it
7 going had made a decision he disagreed with.

8 SENATOR KATZ: My next question is do you recall
9 if I put you under oath or not?

10 THE WITNESS: Yes, you did.

11 SENATOR KATZ: I did. I thought so.

12 THE WITNESS: You can do it again if it makes
13 you feel better.

14 SENATOR KATZ: No, that's all right. I think it
15 might make one of the other people here happy.

16 THE WITNESS: Even the president was sworn in
17 twice because they weren't sure they did it right, so
18 don't feel bad.

19 SENATOR KATZ: Right, okay. You've indicated
20 the Governor verbalized a list of concerns he had.

21 THE WITNESS: Yes.

22 SENATOR KATZ: And what were those, if you
23 recall?

24 THE WITNESS: Interestingly enough, when the
25 report came out, I went back and looked at those and found

1 that the concerns that I raised with Jack Moore at the
2 lunch were almost identical to the concerns that he and
3 the Board had raised with the Speaker two weeks before,
4 and then I looked forward in the report to the Governor's
5 letter where he expressed his concerns, and they were
6 almost the same identical concerns and, in fact, almost in
7 the same order that they had been expressed first by the
8 Board at Hinckley, then by me, and then by the Governor.

9 And from my perspective, largely it was that a
10 sitting Speaker of House is a really busy person, and as
11 sitting Speaker --

12 SENATOR KATZ: So this is things the Governor
13 told you? I'm not asking for your impressions.

14 THE WITNESS: Probably. Yeah, yeah, probably.
15 I mean, generally, the -- I guess what I'm getting at is
16 generally, the same concerns raised were just the same
17 ones raised over and over by many people and so -- but his
18 were he's opposed charter schools fairly vehemently over
19 the years. Of course, the Governor has been a big
20 proponent of them, so he remembered that, you know, how
21 much time does this Speaker have? He lives two hours or
22 an hour and a half away from the school, and if he's going
23 to stay as Speaker he can't move from his district, you
24 know, things that -- has he ever run a school? Does he
25 have background in education, you know, those kinds of

1 issues.

2 SENATOR KATZ: Okay. Was it your understanding
3 at that meeting that the hiring decision had been made?

4 THE WITNESS: When I met with the Governor?

5 SENATOR KATZ: Yes.

6 THE WITNESS: Yeah. I think Rich had said to
7 me, "He begins on July 1st."

8 SENATOR KATZ: All right. Now, you told OPEGA,
9 sir, that at some point you had a conversation with the
10 Governor in which he told you, "Don't send Good Will-
11 Hinckley any money not required by law.

12 THE WITNESS: Right.

13 SENATOR KATZ: You said you couldn't recall when
14 that conversation took place when you talked to OPEGA now
15 a couple months ago, I guess. Do you have any further
16 recollection about when that might have taken place?

17 THE WITNESS: A little, and Aaron Chadbourne, I
18 think we -- I believe it was just after the cabinet
19 meeting, because of the nature of the meeting I was
20 standing up, not sitting down. It was kind of an
21 impromptu, and after cabinet, especially if it ends early,
22 we often go, "Hey, can I have minutes?" and we were
23 talking about something. So it's most likely that it
24 happened right after cabinet.

25 SENATOR KATZ: Right. And what do you recall

1 about the cabinet meeting and this subject being discussed
2 at that meeting?

3 THE WITNESS: Again, the same as others who
4 testified. The Governor, his comments were of a "Can you
5 believe this" nature. I don't know whether if he said,
6 "Can you believe someone -- the charter school has hired
7 someone who's opposed charter schools" or which line of
8 frustration he was expressing, but he just said, you know
9 -- it wasn't inquiring of the cabinet, he was just
10 pointing out something that -- I think it was in a
11 newspaper article confirming it had been published that
12 morning which probably may have been either midnight or 6
13 o'clock, so the official news in the media that the
14 Speaker had been hired was fresh. And so as part of
15 cabinet, he often discusses what's going on in state
16 government and said something to the effect of, "Can you
17 believe they've hired this person to be the Speaker -- to
18 be the president?"

19 SENATOR KATZ: Okay. You told the Governor on
20 June 5th he was hired. The cabinet meeting was on June
21 9th, I believe, and I'd like to ask you now about
22 conversations you had with Mr. Moore, the Board Chair of
23 Good Will-Hinckley, during that period between the 5th and
24 the 9th.

25 First of all -- and I understand you reached out

1 to him. What was your purpose of communicating with him?

2 THE WITNESS: The first phone call I made after,
3 you know, the official word sort of came out was to
4 clarify a number of names on the Board. We had heard that
5 both boards had voted unanimously to hire the Speaker, and
6 so someone in the Governor's office looked at the names on
7 the list and found a few that seemed, if they were the
8 person we were thinking of would raise a question. And so
9 they said, "Can you call Jack and find out if," for
10 example, "the Bill Brown is the Bill Brown we think it
11 is." It's a common name. And so I, you know, said to
12 him, you know -- I think at that point I said to him, "The
13 Governor is," you know, "obviously not happy with your
14 choice," and I kind of asked him a couple -- "Is this
15 the," you know, "person that's this person? Is this the
16 Jo-Jo who's that?" and that was most of the conversation.
17 And he said, you know, "I'm understanding. I'm frustrated
18 that the Governor's upset" and, you know, that sort of
19 conversation. It was mostly to find out if -- to confirm
20 that people who, according to press reports, had voted to
21 hire the Speaker were, in fact, the people we anticipated
22 they were.

23 SENATOR KATZ: All right. Was that the only
24 conversation you had with him during that period of time,
25 if you remember?

1 THE WITNESS: Probably the only phone
2 conversation. We had a couple of emails back and forth
3 that are part of the record or the report, and I think he
4 was -- he had expressed a desire to meet with the Governor
5 and I passed that along. And he mentioned once, you know,
6 the Board is going to meet and discuss it further
7 tomorrow. So I said, "I'm really anxious to hear how that
8 goes," you know, relatively short conversations up until
9 one past that, you know, well past that time period.

10 SENATOR KATZ: Okay. In your conversation with
11 Mr. Moore, did you tell him or suggest to him that the
12 funding for Good Will-Hinckley might be cut if the Speaker
13 were hired?

14 THE WITNESS: I don't believe so, but I want to
15 point out something in my mindset, and particularly with
16 lobbyists and others, prior to any of this occurring,
17 prior to probably the Speaker being, well, probably after
18 the Speaker was interviewed, but before I had any
19 knowledge of it, the legislature had cut 5 1/2 million
20 dollars from two areas in the budget that the Department
21 has discretion over. And, in fact, one day they cut 4
22 million dollars and the next day voted to allow to put
23 language in to allow the Commissioner to spend that money
24 anyway even though they had cut it. So, you know, they're
25 indicating, "Well, if you find some money, move it

1 around."

2 So I had thought -- in the line items that
3 include the Good Will-Hinckley money, and it's 67 million
4 dollars, they had cut -- they had told us -- they had
5 appropriated a million and a half dollars less than what
6 was asked, so we were going to have to find a million and
7 a half dollars somewhere in that account. And I remember
8 prior to all of this happening in my mind thinking that
9 Good Will-Hinckley was going to be a really good candidate
10 for at least some form of cut to reach that. And the
11 reason for that was it was the only charter school that
12 received this kind of money. It was the only residential
13 program that received this kind of money. And it was the
14 only at-risk program, and there are many in the state,
15 that received this kind of money. So it was always going
16 to be hard, I thought, for me to justify giving this money
17 to one school when all the others would then say, "Hey,
18 how come we don't get this kind of appropriation?"

19 I also knew that as many as four years earlier
20 the discussion between the Governor's office then before I
21 was there and Good Will-Hinckley was, "This is not forever
22 money. This is temporary bridge money to get you until
23 you start to becoming funded as a charter school" and so
24 on.

25 There was always in my mind that Hinckley was a

1 candidate for at least some portion of that money we were
2 going to have to find. So I may have said prior to this
3 process to a lobbyist or -- I don't think to Jack that,
4 you know, "It's going to be difficult for us to get
5 through that million and a half we've got to find" and so
6 on, but in relation to a conversation where I, you know --
7 I never said to Jack at that point, you know, "We're going
8 to cut the money because of this" or the "The Governor's
9 told me to cut the money because of this," so I had had
10 conversations I think mostly with lobbyists prior to this
11 saying, you know, "This is money that's going to be hard
12 to justify." And then when all of this happened, I sort
13 of took a well, let's-wait-and-see point of view and see
14 how things work out.

15 SENATOR KATZ: Well, did you inquire of anybody
16 on the Appropriations Committee about whether the
17 possibility of cutting any money from Good Will-Hinckley
18 was even on the table? And the reason I ask that
19 question, and I know questioning and not answering
20 questions --

21 THE WITNESS: Right.

22 SENATOR KATZ: -- we never talked about that.

23 THE WITNESS: Well, and part of -- as you know,
24 you meet a lot. You have a lot of discussions over many
25 months. My position as Commissioner and the Department's

1 position is that what matters to us is the legal document
2 voted on by both houses of the legislature that comes to
3 us, and that's the document we go by.

4 The intent of the legislature is expressed by
5 both houses voting positively to an active budget, then it
6 comes to us.

7 SENATOR KATZ: But those voted on by human
8 beings and between the Appropriations Committee and
9 leadership in both parties, are you aware that anyone ever
10 suggested cutting the funding to Good Will-Hinckley?

11 THE WITNESS: I'm not aware, but I also was not
12 privy to most of those conversations. I didn't listen in
13 to appropriations and, you know. Things get discussed to
14 cut and uncut and, you know, we're often told --

15 In this budget, for example, there was an amount
16 of money that said, "You must spend," but it wasn't
17 appropriated, so that money had to come from this account
18 and be made up by cutting something else.

19 SENATOR KATZ: And it ended up being cut from
20 information technology, right?

21 THE WITNESS: No. Again, in the budget
22 language, all we got was a 67-million-dollar line item
23 that was a million and a half less than we asked, so the
24 only official legal directive we got from the legislature
25 was a bill voted on by both houses over in the Governor's

1 veto saying, "You have this much to spend in these
2 categories," but we had one appropriation, for example,
3 for \$75,000 a year. The language was changed, "You must
4 spend this money on this program," but none was
5 appropriated. None was added to the budget for it. So
6 they were saying, "Go find the \$75,000 somewhere in that
7 miscellaneous cost." Well, that implies something that
8 perhaps the Appropriations Committee and the legislature
9 didn't intend to be cut, would have to be cut, because
10 that 75,000 had to come from somewhere, but it wasn't
11 appropriated, so --

12 SENATOR KATZ: Going back to your conversation
13 with Mr. Moore, did you tell him that the funding for Good
14 Will-Hinckley, the \$500,000 a year, would be safe if the
15 Speaker was not hired as president?

16 THE WITNESS: He called me very late in -- this
17 is two days after the budget was passed in the
18 legislature. I know that because I was on vacation on an
19 island, and when we got off the ferry my phone rang and it
20 was Jack. And he said -- and it's in the OPEGA report,
21 words to the effect of -- and I remember repeating to him,
22 I said, "If you're asking me this," and what I said was,
23 "If you're asking will the Governor be happy with Good
24 Will-Hinckley again if are not -- if you separate yourself
25 from Speaker Eves," and I said "probably" because his

1 concern with the school was that in his mind he had made a
2 poor hire and the school would be poorly managed and that
3 was disappointing to him. But I didn't ever put -- he
4 didn't ask and I didn't put together, you know, we will
5 definitely appropriate it.

6 At that point, we still had not -- the budget
7 has just been passed and the Department leadership needed
8 to sit down and look at what was appropriated
9 (indiscernible) in the miscellaneous cost account than we
10 needed and where we were going to find that money.

11 And a number of other -- the Maine school for --
12 in Limestone, the School for Science and Math and others,
13 had asked me, "Do we have our appropriation?" and I had
14 said, "Until the leadership sits down after the budget is
15 passed and figures out where the million and a half is
16 going to come from, I can't answer that question," so my
17 question to Jack was, "The Governor will be happier with
18 the school than he is now," but it was not tied to funding
19 in a way because I couldn't make that decision until we'd
20 already found the million and a half.

21 SENATOR KATZ: Approximately what was the date
22 of that conversation?

23 THE WITNESS: Two days after the budget was
24 passed, so -- I've forgotten.

25 SENATOR KATZ: Around the 27th?

1 THE WITNESS: 20-something of June, yeah.

2 SENATOR KATZ: Well, you weren't here, but I'm
3 sure you listened in to Mr. Moore's testimony.

4 THE WITNESS: Yes.

5 SENATOR KATZ: And I think I'm saying his
6 statement fairly, but Mr. Moore had a very clear
7 impression from you that if the Speaker were kept as
8 president, that Good Will-Hinckley was going to lose its
9 fundings. And that if the Speaker were not kept as
10 president, that Good Will-Hinckley would get its funding.
11 I'm sure you heard him say something to that effect.

12 THE WITNESS: I listened for an hour and a half
13 or whatever that he testified. I don't remember every
14 comment.

15 SENATOR KATZ: But let me just ask you.

16 THE WITNESS: Yeah.

17 SENATOR KATZ: That was the gist of what I think
18 many of us came away with. So where did he get that idea
19 then that you were making it relatively clear that if the
20 Speaker were kept, that funding was gone. If the Speaker
21 was fired, the funding would be back?

22 THE WITNESS: I can't tell you where his
23 impressions come from. I can tell you that my
24 conversations did not directly link -- especially the
25 first part and the second part of your question to him.

1 As I said, he asked -- I rephrased his question to make
2 sure I was -- we were clearly communicating when he said
3 something to the effect of, "Would the Governor liked the
4 school again if we," you know, "disassociate from Eves?"
5 And I said, "If you're asking me if he'll be happy with
6 you, I think he will. He loves the school. He saved the
7 school a few years ago, but he's not happy with this
8 decision. If this decision weren't there, he would be
9 happy with the school." And that was my impression that I
10 told him then.

11 I don't ever recall a conversation with Jack
12 where I said, "Well," you know, "because you've made this
13 decision, you're not getting the money that is in this
14 account" or "that comes from this source," so --

15 SENATOR KATZ: Do you think that conclusion he
16 drew is unfair under the circumstances?

17 THE WITNESS: Again, I can't say where he drew
18 his conclusion from, so I don't know whether it's fair or
19 not. It was never my impression to communicate that. I'm
20 pretty sure I was very careful about how I communicated
21 that. And, again, in the one conversation I restated, I
22 said, "If you're asking me this question" to make sure
23 that my understanding and his were the same, and I said to
24 him, "Would the Governor like the school again if --."

25 And I think I recall, and it's in the OPEGA

1 report, where it says, "That also depends on who you do
2 pick as a new president. If they're of a certain quality
3 and so on, then that's the rub for the Governor is he
4 wants someone running the school who's very capable and
5 will do a great job." And I remember in that -- I think
6 it's in the report where I mention that piece of it. "It
7 isn't just the Speaker, it's if you go and hire someone as
8 equally as unqualified as the Speaker, he's still not
9 going to be happy with the choice."

10 SENATOR KATZ: Well, do you recall the Governor
11 directing you to communicate something to Mr. Moore?

12 THE WITNESS: No, not to Mr. Moore, no.

13 SENATOR KATZ: To anyone on this subject?

14 THE WITNESS: No. I mean, he never gave me
15 instructions to communicate with anybody anything in
16 particular.

17 SENATOR KATZ: At any time since this review
18 began, sir, have you been involved in any or coordinated
19 or discussing with the Governor or others in his office
20 about what documents we would be receiving?

21 THE WITNESS: I think Ms. Montgomery pointed out
22 a couple. Initially, one time I had asked her some
23 general advice about it. When the Governor's office made
24 it clear that they would not -- initially were not going
25 to be participating in the questioning, it became clear to

1 me that it was not -- we should not be coordinating that
2 kind of communication. So it was a one communication
3 where I said, you know, I was asking the Governor's
4 counsel as an employee of the Governor, "How should I
5 approach this?" and her response was fairly, "That's for
6 you to decide." And when I understood that the Governor's
7 office was not going to participate, I realized it, we
8 were in separate boats, so to speak, and that I had to
9 make these decisions on my own.

10 SENATOR KATZ: Okay. At any time during this
11 process, sir, did you have any conversations with Greg
12 Powell, the head of the Harold Alfond Foundation or anyone
13 else from the Foundation about this subject?

14 THE WITNESS: No, I have not.

15 SENATOR KATZ: So I won't forget at the end,
16 have you produced all the records that were in response to
17 our request for these documents?

18 THE WITNESS: Yes.

19 SENATOR KATZ: And these are copies we can keep?

20 THE WITNESS: Yeah. As far as I can tell, yes.

21 ADMINISTRATIVE LAW JUDGE: Thank you very much.

22 Other questions? Representative Mastraccio.

23 REP. MASTRACCIO: Thank you, Mr. Chair.

24 I have a couple of questions. The first one
25 relates to the miscellaneous cost -- this is in the

1 report, the miscellaneous cost elements, and on here one
2 of them is the Maine School for Science and Math?

3 THE WITNESS: Correct.

4 REP. MASTRACCIO: Was that payment held back?

5 THE WITNESS: No. It was not raised, it was not
6 brought to my attention at the meeting when we discussed
7 it. And even if it had, there are separate statutes
8 outside of the budget that require that we fund the
9 school. It is complete a state-funded school, so even if
10 that had been the discussion, there are other statutes
11 that prevent us from not funding the school.

12 REP. MASTRACCIO: But if you -- I'm just saying
13 that you said anything under that miscellaneous cost
14 element.

15 THE WITNESS: Right.

16 REP. MASTRACCIO: Okay. In fact, your own email
17 says that it was really going to be for -- I'm trying to
18 think. I mean, there is an email that I'm assuming we
19 have that details later that that is, in fact, not what
20 you ever intended to do, that you knew that that cut was
21 going to be made, and recommended and that, in fact, you
22 knew where it was going to come from and it was never
23 going to come from Good Will-Hinckley.

24 THE WITNESS: Well, that decision --

25 REP. MASTRACCIO: By your own email.

1 THE WITNESS: Right. That decision wasn't going
2 to be made until after the budget was passed, but -- and
3 it was made after the budget was passed with the
4 leadership of the Department kind of going through the
5 budget.

6 REP. MASTRACCIO: But we all know how the budget
7 is, and we discuss those kinds of issues, we -- I've been
8 at -- I may only be on (indiscernible), but we actually
9 discuss, you know, "Okay, so we know you want to cut that.
10 Where are you going to cut it from?" and we have those
11 discussions.

12 THE WITNESS: Right.

13 REP. MASTRACCIO: And we all know up front what
14 we're going to do. And all I'm saying is, I'm asking, you
15 never intended -- those payments went out as usual. This
16 was a totally unusual thing to request that that payment
17 be withheld, especially since it had already been held.

18 THE WITNESS: It was the first time it had ever
19 happened, right, but --

20 REP. MASTRACCIO: Ever.

21 THE WITNESS: -- that was the only check that
22 was raised as an issue, and it was the next day, I think,
23 when I came back to that and said, "We don't even have a
24 budget yet, why are we cutting checks against a budget
25 that isn't enacted?" And they said, "Well, that and these

1 two other schools, we (indiscernible)."

2 REP. MASTRACCIO: So this was kind of an after-
3 the-fact thing that you would kind of look for another
4 reason why you might have been justified in doing that?

5 THE WITNESS: No. I had been -- again, the
6 thoughts in my mind were that there was a strong
7 possibility that Good Will-Hinckley, if you will, was low-
8 hanging fruit in finding the million and a half dollars we
9 had to -- weeks before any mention of Speaker Eves and
10 (indiscernible).

11 REP. MASTRACCIO: But whoever gave you the idea
12 that Good Will-Hinckley was low-hanging fruit because I
13 never remember ever hearing that from anybody?

14 THE WITNESS: Because frequently, as I said,
15 there's a million and a half dollars less in the budget we
16 had to find somewhere. There was a 75 --

17 REP. MASTRACCIO: Which you already knew where
18 you were going to find it.

19 THE WITNESS: Someone had --

20 REP. MASTRACCIO: By your own words.

21 THE WITNESS: -- mentioned in passing that this
22 was discussed perhaps in appropriations as why they had,
23 you know -- somebody may have said, "We want to cut this,
24 so we're going to reduce it by a million and a half," but
25 the document, the published chaptered law that is the

1 budget, made no mention of that. And that's the official
2 -- we can't possibly be privy to every conversation or
3 side note or expressed opinion by someone.

4 REP. MASTRACCIO: Neither can we.

5 THE WITNESS: And we don't act on one person
6 saying, "I think --," and I challenged OPEGA in the draft.
7 They mentioned that someone on the Committee, the
8 Appropriations Committee, said that this -- "One person
9 said this." And I remember writing in the margin of the
10 draft, you know, the opinion of one member of one
11 committee is not binding in law and it doesn't direct us
12 to do anything, so --

13 And as I said before, they cut -- one day the
14 Appropriations Committee cut, I think it was 4 million
15 dollars from a similar line item, and the very next day
16 when they first got back as the Committee voted to allow
17 us to spend money in those accounts if -- I think the
18 language was, "If there are unspent allocations." So on
19 one day they cut and the next day they said, "But you can
20 spend money in that account if."

21 And the tradition, my understanding with the
22 Department and the legislature has been things move around
23 in that account based on what happens. And, again, to
24 appropriate -- to tell us to spend \$75,000 on something
25 without giving us the money clearly more than implies, in

1 my mind, it's got to come from somewhere and the
2 Department has to decide where, what has to be cut to do
3 that.

4 REP. MASTRACCIO: So you're not telling me that
5 in hindsight, you decided that that was a good reason to
6 bring up if, in fact, something ever came up that you were
7 actually trying to punish Good Will-Hinckley?

8 THE WITNESS: No. And I think the reason for
9 the email you're questioning is because we were frustrated
10 by mention -- either in the Committee or by a Committee
11 member of that particular loss of money because it was in
12 relation to a 30-year-old computer system. And so the
13 email might have been, "This is the kind of thing that's
14 being discussed as being cut," so --

15 REP. MASTRACCIO: Well, I think maybe if we had
16 the exact wording, but that's not how it's characterized
17 at all.

18 THE WITNESS: Okay.

19 REP. MASTRACCIO: I have one other question.

20 SENATOR KATZ: Yes, Representative.

21 REP. MASTRACCIO: On the top of page 13, and
22 this is a long litany of what happened on that date when
23 the Governor finally found out that Speaker Eves was going
24 to be the president. And, I mean, it literally goes on.
25 And on the top of page 13, I have in my margin when I read

1 it the first time, "This is the first real threat to Good
2 Will-Hinckley" in the report that I could -- and it says,
3 "The Acting DOE Commissioner," that's you, "called the GWH
4 Board Chair," that's Jack Moore --

5 THE WITNESS: Jack, yeah.

6 REP. MASTRACCIO: "that morning after being
7 called back to the Governor's office. The Acting
8 Commissioner explained that someone in the Governor's
9 office had looked at the makeup of the GWH MeANS Board and
10 saw the name of one of the Speaker's legislative
11 staffers." So here's -- you were called back to the
12 Governor's office. Who did you speak to, what did they
13 say?

14 And then it goes on to say that, "The Acting DOE
15 Commissioner indicated that the Governor would not be
16 happy with the school selecting the Speaker, and that with
17 cuts needed to the miscellaneous cost money in the DOE
18 budget, it was going to be hard to justify Good Will-
19 Hinckley keeping that money. The Good Will-Hinckley Board
20 Chair informed the Acting Commissioner that he was going
21 to arrange for a meeting of the Good Will-Hinckley's
22 Board's executive committee."

23 Do you not think that Jack Moore came out of
24 that conversation with you with the clear impression that
25 the Good Will-Hinckley funding was at risk?

1 THE WITNESS: I can't comment on his impression.
2 I can understand someone coming out of it with that
3 impression.

4 REP. MASTRACCIO: Gee, I mean, it seems like a
5 whole lot of people came out of all those meetings with
6 you with that impression. And then your actions continued
7 along the same vein; would you not say that that's true?

8 THE WITNESS: I don't think my actions continued
9 along that vein, but that's, you know, you'd have to ask
10 me one of the actions, so --

11 SENATOR KATZ: Thank you. Chairman Kruger.

12 REP. KRUGER: Thank you, Mr. Chair.

13 I'm going to ask for your opinion as a citizen
14 and as a taxpayer, not as a member of this administration.
15 Say there was a different governor and you had a different
16 job, would you look at this situation and say, "Yeah,
17 that's fine, that's appropriate for a chief executive to
18 insert him or herself into the internal affairs of an
19 independent institution"?

20 THE WITNESS: I don't -- I take issue with a
21 number of pieces of your question. Part of the school,
22 part of the program that is Good Will-Hinckley and the
23 part that was to receive this funding is a public school.
24 It's a charter school by legal definition in Maine. Those
25 are public schools publicly funded, and so this money was

1 going from an account that's within the Governor's
2 discretion to a public school. So I'm not sure I would
3 characterize it as interfering with a private
4 organization. These are public students paid for by
5 public money going to a public school.

6 And from my point of view and the history of the
7 back-and-forth, this is money, as I've mentioned, that is
8 within the, I should say executive branch's discretion to
9 make adjustments to. And the Governor has from the time
10 -- again, as a citizen observing and reading the
11 newspaper, the Governor has from the time he ran for City
12 Council then adamant about the proper use and investment
13 of taxpayer dollars and that they go to good programs and
14 not bad programs, effective programs, not wasteful
15 programs. And as a citizen reading the newspaper, I would
16 say that the Governor's point of view on this was that
17 this was no longer a good investment for taxpayer dollars
18 because it was going to be a poorly run school that had a
19 poor decision.

20 And there are lots of other at-risk kids in
21 Maine that this money could have been diverted to. There
22 are only 80 students involved in this funding, and a half
23 a million dollars can in some other case go a much longer
24 way for many other students.

25 And so, again, as a citizen, I would suspect

1 having read what I read about the Governor that he looked
2 upon this as no longer a good investment of this money and
3 it should go somewhere else.

4 SENATOR KATZ: Representative Duchesne.

5 REP. DUCHESNE: Thank you, Senator, and thank
6 you again for being with us.

7 THE WITNESS: Believe me, it's good to be here.

8 REP. DUCHESNE: I'll bet.

9 THE WITNESS: And not where I was.

10 REP. DUCHESNE: Okay. We have in the OPEGA
11 report a timeline where the Governor has a conversation
12 with you that says he doesn't want to pay any money not
13 legally required by law. Later, a payment is withheld.
14 Later, the Governor tells Channel 8, "I did it, why
15 wouldn't I?" Is that timeline accurate?

16 THE WITNESS: The events happened in that order,
17 yes.

18 REP. DUCHESNE: Okay. Is there anything else in
19 that timeline that I should try to remember?

20 THE WITNESS: Other than, you know, the mention
21 of the cabinet meeting, I mean, not that we haven't
22 already discussed.

23 REP. DUCHESNE: Okay. Well, the Governor did
24 have that conversation where he doesn't want to pay any
25 money not legally required by law, and he has that with

1 you. So you know the funding is in question for that
2 reason. Your testimony to us now seems to be that budget
3 cuts were the threat to Good Will-Hinckley, at least that
4 was conveyed to the Board that way, even though you know
5 from the Governor that he's specifically linking these
6 two.

7 THE WITNESS: Prior to -- actually, that
8 conversation with the Governor happened, as I said before,
9 I believe on the 9th. My discussion with Jack was on the
10 5th, and so I was conveying to him what had been on my
11 mind for a long time, we're going to have to really
12 sharpen our pencil after the budget is passed as a
13 leadership in the department and find a million and a half
14 dollars, and that was part of my thinking all along
15 through the process. This then came along and added to
16 that.

17 Now, granted, the Governor's dissatisfaction
18 with Hinckley was one of the things we were going to have
19 to consider when we sat down after the budget was passed
20 and had that conversation.

21 REP. DUCHESNE: And so it seems like the
22 Governor's dissatisfaction with the hire of Mark Eves was
23 the trigger for everything that came after that,
24 specifically to the withholding of this funding.

25 THE WITNESS: No. It had nothing -- well, it

1 had very little to do with -- and I want to characterize.
2 The funding was never cut or withheld. At that meeting of
3 the leadership team, I mentioned to the group assembled in
4 the Department that the Governor had spoken at the cabinet
5 meeting about an issue related to education, so I
6 generally want to keep them informed. You'll read about
7 this in the paper here, this situation.

8 Suzan Beaudoin, our financial person, I remember
9 looking over and she had a strange look on her face and
10 she said, "We just cut them a check. Should I pull it?"
11 And if the Governor had instructed me -- he was unaware
12 for three weeks after that that there was a check. No one
13 in the Governor's office instructed us to pull a check.
14 They weren't aware there was a check. I wasn't aware
15 there was a check until she said, "We just ordered a
16 check, should I pull it?"

17 I paused for a long time, which was unnecessary
18 if the Governor had said, "You will not send a check." I
19 would have said, "Yes, pull the check." Instead, in my
20 thinking, I was I got to find a million and a half dollars
21 in this budget if it passes as it is. And we have not sat
22 down as a group and figured that out, and we won't until
23 the legislature concludes it's part of the process.

24 The Governor had heard that morning officially
25 that Good Will-Hinckley had officially signed the contract

1 or hired the Speaker, and his initial reaction was, "I
2 don't want them to get any money that isn't locked in
3 law." But three or four more weeks were going to go pass
4 before that decision had to be made.

5 I didn't have to decide at that moment whether
6 or not to send the money to Good Will-Hinckley. Sending
7 that check would have made that decision, and it wasn't
8 time to make that decision yet. And as I tried to explain
9 in the letter I sent last time, I knew that lots of things
10 could happen in the next couple of weeks, and I don't have
11 to make the decision until the next couple of weeks have
12 passed. So to allow the check to go out that day would
13 have made the decision, and I cannot do it.

14 I don't know whether the legislature might
15 change its mind. I don't know whether the Governor might
16 change his mind. I don't know where we're going to find
17 the million and a half dollars. And until I know those
18 things, I don't want to make a decision about sending a
19 half a million dollars out the door. I want all the
20 information I can, and I didn't have it that day. And I
21 said, "Let's hold it."

22 I remember very clearly in my mind thinking once
23 we send the check out, we have no legal authority to get
24 it back. We can say "Please send it back," and they say
25 "no."

1 So sending it out now made the decision, which
2 it wasn't time to make. It was much easier to just say,
3 "Well, we'll send it next week. Just hold the paperwork
4 and when we get more information that we're satisfied,
5 gives us what we need to make the right call and we'll
6 send the check."

7 Now, I think what's key to this idea of threat
8 that I think people are missing, we never notified Good
9 Will-Hinckley that this payment had been pulled. As Mr.
10 Moore said at your meeting last time and it's in the
11 report, he was not expecting it. He said we had until
12 July 1st to make a decision. We were waiting for that
13 date.

14 So at no time did anyone communicate either to
15 the Governor or to Good Will-Hinckley that they weren't
16 getting this money because -- that to me makes the absence
17 of a threat. If you're going to threaten someone, you
18 have to tell them. And for this holding of this check
19 while we waited for more information could only have been
20 a threat if I had picked up the phone and said to Jack,
21 "Ha, we just pulled the check" and hung up on him, and I
22 never did. And he wasn't aware, as he said in testimony -
23 - we had until July 1st, which is the beginning of the
24 fiscal year.

25 So this was not a -- we didn't pick up the phone

1 and call the Governor and say, "Ha, we stopped the check"
2 because it wasn't a big deal. It was let's wait until
3 more information becomes available, including the very
4 real possibility that the Governor two hours after he
5 heard that Hinckley had officially hired Eves that he
6 said, "I don't want them to get the money." In the course
7 of three weeks he could change his mind and say, "Yeah, go
8 ahead and send them the money."

9 So even if that were the only issue, and it
10 wasn't, it wasn't resolved. It wasn't settled. And until
11 the budget was passed and the time came to decide what to
12 do with that miscellaneous account and we made a decision,
13 I wasn't ready to say send the money and that's the
14 decision.

15 So there were a number of things including the
16 Governor's reticence to the money that weighed in on that,
17 but it wasn't -- I didn't take out the big budget book and
18 draw a great red line saying, "This funding will never
19 go." I just said, "Let's wait until we get more
20 information."

21 And as I tried to express in the letter I sent
22 last month, it turns out in those three weeks some really
23 important things happened including the fact that we had
24 no written agreement with Hinckley on how they could or
25 could not spend the money, which is kind of important. It

1 occurred to me about an hour later that the legislature
2 hadn't even passed the budget yet, so we're essentially
3 writing a check that isn't supported in budget. And we
4 got a note that was expressed to the Ethics Committee from
5 Hinckley that said, "We don't really the money. It
6 wouldn't affect us negatively in any way," which is
7 something we would have considered at the meeting to find
8 the million and a half. So all those things happened
9 afterward, and what I was saying in the letter was I was
10 waiting for more information, and some of the more
11 information was really important. I was glad that I
12 waited for more information.

13 So the check was -- the money wasn't withheld.
14 The school wasn't threatened with the withholding of
15 money. We simply said, "Let's wait until we -- they're
16 not expecting the check today. Let's wait a couple of
17 weeks until we learn what happens in a number of different
18 issues, and then we'll decide whether the check should
19 go."

20 REP. DUCHESNE: Okay. Certainly, what we get in
21 the OPEGA brief and what we got in testimony from the
22 other parties (indiscernible) Good Will-Hinckley School
23 felt there was a threat. And the testimony we get today
24 from the Governor's office essentially from the
25 administration is, "We didn't intend that threat be

1 clearly financial this part." So the testimony in front
2 of us seems to be that there was a misunderstanding. The
3 understanding from that entire end of the equation was
4 there was a threat.

5 At any time did you discuss with Good Will-
6 Hinckley, Jack Moore or anybody else on the board that
7 there was no written agreement in place governing the use
8 of funds and that's why there was a question or --

9 THE WITNESS: Not then. When I discovered that
10 -- as we got closer to having to make that decision, I
11 said, "Okay, what's to prevent them from spending this on
12 furniture or whatever as opposed to the residential
13 program?" So I went through the files, I had only been in
14 the Department, you know, less than six months, and found
15 that we had no contractual memorandum of agreement or
16 contract or anything for the two years previous, and we'd
17 sent them over a million dollars in that period of time.
18 So I said, "We need a document" and then began discussing
19 with the -- after Rich had left the -- Mr. Moore -- Mr.
20 Moody, the new president, "We can't just give you the
21 money without any," you know, "parameters around
22 which --."

23 REP. DUCHESNE: But all that happened after --

24 THE WITNESS: Right.

25 REP. DUCHESNE: The impression of a threat was

1 gotten by the receiving party.

2 THE WITNESS: I don't think it was an
3 impression. As everyone has said, the Governor stated
4 publicly, so I think a lot of what folks at Good Will-
5 Hinckley saw as a threat didn't come from us pulling a
6 check and not telling them or a conversation one of us had
7 with them. The Governor, as you pointed out, specifically
8 stated it. So if they got the impression there was a
9 threat, it was communicated very clearly from people other
10 than those of us who were working day to day --

11 REP. DUCHESNE: Certainly, we'll hear from Ms.
12 Vander wood later on about what she conveyed to her
13 clients at the time that the funding is in jeopardy, so
14 the threat was perceived rather strongly, I guess, on the
15 receiving end.

16 THE WITNESS: And, again, publicly stated, but
17 not, I don't believe, not in conversations I had and I
18 don't believe in conversations other people had.

19 REP. DUCHESNE: Thanks.

20 SENATOR KATZ: Thank you. Senator Johnson.

21 SENATOR JOHNSON: Thank you, Mr. Chair.

22 Sir, I'd like to walk through that timeline
23 again a little bit again briefly, that decision we've been
24 discussing. And I'd like to start with the comment that
25 the Governor made to you regarding not providing any

1 funding that's not legally required. And that was in the
2 cabinet meeting on June 9th?

3 THE WITNESS: It was I believe right after the
4 cabinet meeting.

5 SENATOR JOHNSON: It was right after the cabinet
6 meeting.

7 THE WITNESS: Yeah.

8 SENATOR JOHNSON: And did you understand that to
9 be referring to funding for Good-Will Hinckley?

10 THE WITNESS: Yes, because he was discussing to
11 them.

12 SENATOR JOHNSON: So the topic of discussion was
13 Good Will-Hinckley and he said not providing any of the
14 funding not legally required?

15 THE WITNESS: Uh-huh.

16 SENATOR JOHNSON: And you understood that to be
17 a directive, that he was telling you to do that?

18 THE WITNESS: Well, he was expressing his
19 opinion, but as I said, this was an hour and a half --

20 SENATOR JOHNSON: Let me ask it another way.
21 Did you ever consider that that was something which you
22 should not execute at every opportunity?

23 THE WITNESS: No. I think it was something I
24 should take under advisement, but again, I had weeks
25 before I had to decide whether to act on his opinion, and

1 in two or three weeks his opinion could have changed.
2 This is two hours after he learned they have, in fact,
3 signed a contract with Speaker Eves. He was unhappy with
4 that, and he said, "I don't want this to happen."

5 I have many times seen the Governor and myself
6 and everybody else change their mind two or three or four
7 days after an event that creates a response like that. In
8 my mind, I would have waited, I was waiting until the day
9 we had to make that decision. And if he was of that
10 mindset, I would have said, "You've asked me not to spend
11 any money that isn't required in law, do you still feel
12 that way?" I've done that with the Governor on a whole
13 bunch of issues.

14 SENATOR JOHNSON: Let me ask that another way
15 because, obviously, people can change their mind, but
16 until they do what they say, if they're someone that you
17 are directly responsible to --

18 THE WITNESS: Sure.

19 SENATOR JOHNSON: -- and you take your order
20 from and says, "Do something," do you understand that that
21 means you do it?

22 THE WITNESS: I understand that that those are
23 my orders until they are otherwise changed, yeah.

24 SENATOR JOHNSON: And did those orders change
25 between your speaking immediately after the cabinet

1 meeting and your subsequent Department of Education lead
2 meeting?

3 THE WITNESS: No, they did not.

4 SENATOR JOHNSON: All right. I also want to go
5 back for a moment because this, for me, as not only a
6 legislator, but a member of the public and trying to
7 represent public interest, I find it difficult to
8 understand why anything other than that conversation would
9 have led you to even considering whether to hold that
10 payment.

11 I want to point out that in an email later in
12 the month, you characterized the one and a half million
13 dollars cut from miscellaneous costs in this way. It says
14 in the first paragraph on page 20, which there's a copy of
15 in front of you if you're interested, you said, "They also
16 cut one and a half million from miscellaneous costs
17 directly which was for our 30-year-old certification
18 system."

19 THE WITNESS: Uh-huh.

20 SENATOR JOHNSON: So this doesn't say, "which we
21 decided to cut from our 30-year-old certification system."
22 You're indicating, I believe, and correct me if I'm wrong,
23 that you understood the legislative intent for that one
24 and a half million dollars being cut that it was for the
25 30-year-old certification system.

1 THE WITNESS: In my mind, legislative intent can
2 only be expressed by a vote of both bodies, not by a
3 comment by one member of one committee.

4 SENATOR JOHNSON: Then I would ask you where did
5 you get the impression that you voiced in this email --

6 THE WITNESS: I don't recall, but probably from
7 a comment --

8 SENATOR JOHNSON: -- representing that as fact?

9 THE WITNESS: -- from a member of the committee
10 in a discussion. I did listen in occasionally to the
11 Appropriations discussions, so --

12 SENATOR JOHNSON: So you considered that
13 sufficiently indicative of legislative intent that you
14 voiced this as the reason for the cut in your subsequent
15 email?

16 THE WITNESS: I think what I was expressing was
17 a frustration with we still can't replace a 30-year-old
18 computer system (indiscernible).

19 SENATOR JOHNSON: But that isn't what your email
20 said.

21 THE WITNESS: But I can point out that in our
22 discussions about the budget and that account, we funded
23 the million and a half dollars for the computer system
24 because we found it critical, so we found a way to move
25 around and finance that project.

1 So if I believe the intent of the legislature
2 was not to, I would not have done that, but the only
3 expression of the intent of the legislature we can legally
4 consider is the chaptered law voted on by both bodies, not
5 a passing comment or something said, you know, in a
6 committee meeting. You know, our guidance has to come
7 from law, not from what we perceive is an opinion of one
8 or many members.

9 SENATOR JOHNSON: Right. So let me state that
10 another way. You were aware of that statement by the
11 legislature whether you considered that binding intent or
12 not?

13 THE WITNESS: Right.

14 SENATOR JOHNSON: And you communicated that in
15 this subsequent email on the 27th?

16 THE WITNESS: Uh-huh.

17 SENATOR JOHNSON: When you went into the
18 Department of Education lead meeting, immediately after
19 your conversation with the Governor in which you received
20 his direction not to provide any funding not legally
21 required, was, "Gee, I'd like to fund the 30-year-old
22 certification system. Let's hang on to this money," what
23 was going on in your mind at that time or was the
24 conversation you had just had with the Governor directing
25 you not to send Good Will-Hinckley any money that we we're

1 not required to do by law?

2 THE WITNESS: That conversation was one of the
3 things clearly in my mind. If it had been the dominant
4 thing in my mind, I would not have hesitated. I would
5 have said to Mrs. Beaudoin, "Yes, go pull the check now."
6 But as everyone who spoke to OPEGA about it has testified,
7 I paused for a very long time to ponder what to do. And
8 one of the things I kept in mind was we have three more
9 weeks or so many until the fiscal year begins. The
10 Governor, like other human beings, often changes his mind
11 on issues like this and he had just heard about this that
12 morning and still was somewhat, I won't say emotionally,
13 but somewhat charged up about that particular decision.
14 And at some point in the future he could change his mind.
15 And at the same time I've got to find the million and a
16 half dollars. I've got to do a number of other things.

17 So what went through my mind was I am not ready
18 to make this decision this morning. And sending the check
19 means I've made the decision, and I can't undo that unless
20 Good Will-Hinckley decides out of the goodness of their
21 hearts to send back the check after we tell them we sent
22 it in error.

23 So I said, "I'm not ready to make that. Let's
24 wait, and as we gain more information including the
25 possibility the Governor could change his mind, then we

1 will make the decision with all of that information." But
2 three weeks before the beginning of the fiscal year was
3 not a time to start making hard decisions on where the
4 next fiscal year's money was going to go.

5 SENATOR JOHNSON: And yet there were other
6 checks cut at that time?

7 THE WITNESS: I found out subsequent, yes.

8 SENATOR JOHNSON: Which were not obligated to be
9 sent by law until the budget, the new fiscal year began,
10 correct?

11 THE WITNESS: Again, I was not aware of that at
12 the time I made the decision. And yes, they were
13 obligated to be sent in law other than the budget. Those
14 two schools --

15 SENATOR JOHNSON: But that's not the question I
16 asked. Were not obligated to be sent until the new fiscal
17 year?

18 THE WITNESS: That's correct.

19 SENATOR JOHNSON: And so when it was pointed out
20 that you had an opportunity to not send a check before it
21 was expected, you didn't ask whether there were other
22 checks that this would be early to send. That wasn't
23 going through your mind whether this has to be done now.
24 What was going through your mind was that this was
25 regarding Good Will-Hinckley with which you just had a

1 discussion with the Governor?

2 THE WITNESS: Right. And I was not in a
3 position to -- we are legally obligated by law to send the
4 money to the other two schools. I have no discussion
5 there.

6 SENATOR JOHNSON: But not until later which is
7 what you just communicated to me.

8 THE WITNESS: And about, I think it was an hour
9 or two after this discussion, I had a discussion with Ms.
10 Beaudoin about -- and she pointed out we've also, you
11 know, sent these other two checks. And my question was,
12 "We don't have a budget yet. Why are we doing this?" And
13 she said, "Well, we've kind of done it that way for a long
14 time." And I said --

15 SENATOR JOHNSON: How long had it be done?

16 THE WITNESS: I'd have to go back and ask
17 commissioners and others, but you can ask Ms. Beaudoin.
18 Thirty-five years she's been there.

19 So I immediately said to her, "We're not going
20 to send checks any longer against a budget that hasn't
21 been passed." That was not on my mind a couple hours
22 earlier, the day earlier when I made the decision, but as
23 soon as I became aware that there were two other instances
24 where we sent early checks, I'd say, "Not anymore. We're
25 not going to do that. Until we have a budget we don't

1 write a check against a budget because the legislature
2 could eliminate all those funds after the check is gone."
3 So I was not aware that those other two checks had come up
4 until later, and as soon as I find out about them, I said,
5 "We're not going to do that. It's no longer the policy of
6 the Department to do that."

7 SENATOR JOHNSON: So you just communicated that
8 it was not on your mind two hours earlier whether we had
9 to provide these payments now and yet you --

10 THE WITNESS: Whether the budget had passed or
11 not.

12 SENATOR JOHNSON: -- had provided that as part
13 of your justification for the decision earlier today in
14 your testimony.

15 THE WITNESS: What I said was that I decided not
16 to send the check after some thought because there were
17 things that I'm sure will come up in the next three weeks
18 that I don't know yet. And I don't have to send the check
19 today. It's not in law that I have to. It's not a rule
20 that I have to. The Department had chosen to without my
21 knowledge. It brought it to my attention, and I said,
22 "There's no reason to send this check today. Good Will-
23 Hinckley isn't aware that it's coming. I don't have a
24 reason to get it to them. The fiscal year is a ways off."
25 So I said, "Let's wait until the time passes and things

1 happen during that time and make a decision from an
2 informed position."

3 SENATOR JOHNSON: Had you not had the
4 conversation with the Governor just before that meeting
5 saying not to send Good Will-Hinckley money not required
6 by law, would you have ever gotten to this discussion with
7 your staff about sending Good Will-Hinckley money and
8 canceled that check?

9 THE WITNESS: I don't know that. The question
10 is whether the staff would have informed me that there was
11 a check, and I, you know, without having this
12 conversation, I don't know whether they would have or not,
13 you know.

14 The reason this came up, as I said, that there's
15 an issue between the Speaker and the Governor over an
16 education matter, you'll read about it in the paper, it's
17 because I raised that. She said, "We've already sent them
18 a check. Should we -- we ordered a check. Should we stop
19 it or pull it?" so --

20 SENATOR JOHNSON: If I might, one last thing
21 then. I want to clarify something. Your discussion of
22 that which -- the matter which might come up in the papers
23 you wanted your staff to know about, did you when you
24 communicated that to them indicate what the Governor had
25 just instructed you that we are to send no money to Good

1 Will-Hinckley that is not required by law?

2 THE WITNESS: I don't recall. It's possible,
3 but I don't believe I did. I don't recall that I did.
4 But if others at the meeting said that that's what I did,
5 then -- it wasn't -- my recollection of that wasn't strong
6 because it just was I had gone from one meeting to another
7 to another, so I don't -- honestly don't recall if I said
8 that the Governor has said not a dime, you know, from --
9 that isn't in law --

10 SENATOR JOHNSON: So you believe that while
11 talking about his displeasure with Good Will-Hinckley, not
12 having mentioned the order from the Governor regarding
13 funding, did someone on your staff volunteer that there's
14 money going to Good Will-Hinckley that we could stop.
15 Should we?

16 THE WITNESS: Again, it's possible that we had
17 that discussion. I did not then say to the staff, "Don't
18 send any money before it was raised that there was a
19 check." But I know that prevalent in my mind was the idea
20 that it was not the day to make that decision, that we had
21 weeks to go before making the decision as to whether --

22 And, frankly, the context of any of the funding
23 for things in the miscellaneous cost account should all be
24 done on the same day in relation to all of the things in
25 it, and that couldn't be done, didn't need to be done

1 until later. And so to individually pluck off we're going
2 to spend this one and not this one and then later go,
3 "Wow, we should have had that as a whole discussion of
4 everything in the account, it's too late to undo that."
5 So my thinking was I don't have to make this decision
6 today. I don't have all the information I'm sure I will
7 have in another couple of weeks. I can always send them a
8 check next week if we get more information, so let's hold
9 the check.

10 SENATOR JOHNSON: And I understand, and I, you
11 know, appreciate your subsequent decision that we should
12 be providing funding after it's actually authorized;
13 however, the series of events here and what directed you
14 to considering whether to cancel that check was another
15 matter entirely than whether our procedures are in the
16 timeframe and exercising the responsibilities that we
17 should be exercising.

18 SENATOR KATZ: Representative Campbell.

19 REP. CAMPBELL: Thank you.

20 There's this little comment that keeps bubbling
21 up or not about Good Will-Hinckley really didn't need the
22 money. Are you aware of the source, the cause, the
23 timeline of that?

24 THE WITNESS: That's information that came from
25 the treasurer of the school, at least as he's listed on

1 their website, the vice president of finance and
2 operations.

3 My understanding from the OPEGA report is the
4 Speaker asked the Ethics Commission for a letter or advice
5 on whether or not he should participate in the budget
6 discussions having been offered the job and subsequently
7 accepting it. This was sometime around the 11th --
8 somewhere between the 11th and 15th of June, if I remember
9 right. And the head of the Ethics Commission in his
10 letter said, "I've interviewed, spoken with the --," what
11 I call the treasurer because that's what the website calls
12 him or the vice president of finance and -- whatever it
13 was, "and he says that this --," let me read it because
14 it's clear.

15 "The Good Will-Hinckley director of finance who
16 had consulted with the school's director of admissions,"
17 because with a charter school the number of students you
18 admit affects your funding, "believed that the loss of the
19 funding would have no significant impact on the number of
20 students attending the school and would not expect a
21 change in the salary of any manager or laying off of any
22 faculty or administrative staff. The other programs at
23 Good Will-Hinckley, such as the Glenn Stratton Learning
24 Center and the College Step-up Program would continue as
25 well."

1 So the information directly from what they
2 described as the treasurer of the organization was, I
3 would assume, more in a position to understand the
4 finances of the school and the effect of a loss of a half
5 million dollars per year on the school said, "This won't
6 affect us at all" to the Ethics Commission in response to
7 that request. And they wrote that letter in their advice
8 back to Speaker Eves.

9 So about three days after, somewhere between two
10 and four, six days after the cabinet meeting and my
11 discussion with the lead team staff, it was the opinion of
12 the treasurer of the school that this money won't affect
13 us, the loss of this money won't affect us in a negative
14 way. And that was one of the pieces of information that I
15 learned subsequently about, which would have borne out on
16 our decision whether or not some of that million and a
17 half dollars would have to come from the Good Will-
18 Hinckley part of appropriate.

19 SENATOR KATZ: Thank you. Representative
20 Kruger.

21 REP. KRUGER: Thank you, Mr. Chair. Thank you,
22 sir.

23 Does the Governor -- you've been in the
24 Governor's office and in the Department of Education for a
25 while now. In your experience, does the Governor

1 interfere in hiring decisions by school districts of
2 superintendents or principals? Is that something he sort
3 of regularly does or has ever done, to your knowledge?

4 THE WITNESS: I can't say ever done. I mean, I
5 can't say regularly, and I don't have -- my history with
6 him is only a few years, but it is also important to keep
7 in mind this is a school that exists because he saved it.

8 Three or four years ago he went to bat for the
9 school, spoke publicly about it. They called it the
10 LePage miracle at Hinckley. Because of his background, he
11 wanted this at-risk program at Good Will-Hinckley and the
12 school itself to continue with caveats that the State was
13 not going to keep sending this money forever, that this
14 was a bridge of two years, three years to get back on your
15 feet. So this is a different situation in that this is
16 money the Governor went out of his way to make sure the
17 school got. Not all the other schools like, but this one
18 because after a hundred and some-odd years of the good
19 work they had done there, they were of the opinion --
20 Speaker Cummings or President Cummings was of the opinion
21 that they would need this until the charter school funding
22 got underway. And so this is an unusual circumstance in
23 that this is something the Governor had gone to bat for
24 with the school to get the funding.

25 REP. KRUGER: Thanks. At no time during all

1 this sequence of events did you ever -- you never thought
2 that this might be sort of a threat? I mean, you had
3 weeks to decide, you said, whether or not to send the
4 check, but you called them and you told them their, or
5 suggested that their funding was at risk. How is that not
6 a threat?

7 THE WITNESS: Again, any conversation that I
8 might have had and might have said, "This is one of the
9 issues I'm going to have to consider" was outweighed by
10 the clear obvious statement by the Governor of the threat,
11 so I can't weed out whether their impression of a threat
12 came from me or from someone else or from -- I'm saying
13 that I was waiting for the decision which was when we get
14 together as a leadership of the Department, the budget's
15 done, we've got to figure out where the million and a half
16 comes from and all that other kind of stuff. And we
17 needed to do that as a whole after the fact.

18 And as I pointed out, we eventually decided that
19 we would send all \$530,000 to Good Will-Hinckley for the
20 next two years.

21 SENATOR KATZ: Thank you. Representative
22 Duchesne.

23 REP. DUCHESNE: Yes, thank you again. We've
24 been skirting around the edges of my confusion of the
25 timeline.

1 You state as one of your rationale for the
2 decision on June 9th not to forward the payment was that
3 they didn't get the funds, but you didn't discover that
4 until six says later?

5 THE WITNESS: Again, as I said, in my letter
6 what I said was, what I tried to say, and forgive me if I
7 didn't word it eloquently, I was trying to provide some
8 context that said I knew things were going to happen in
9 the next three weeks that would bear on this, and then I
10 tried to explain. And it turns out they did, and here are
11 some of them, including it dawned on me that we didn't
12 have a budget yet, including Hinckley saying, "We didn't
13 need the money," including my discovery we didn't have a
14 written agreement. And I ended that letter by saying, "So
15 as it turns out, that was a sound decision."

16 REP. DUCHESNE: That's I think what I was
17 expecting for clarification and I appreciate it. Thanks.

18 THE WITNESS: Yeah.

19 REP. DUCHESNE: I guess the question I would
20 then have is do you look at the need for funds on every
21 check you send out? Do you make that assessment before
22 you send out checks to anybody or is it just this one
23 case?

24 THE WITNESS: I do now when there are that many
25 zeroes after it, but it's a department with, you know,

1 over a billion-dollar budget and most of that goes out to
2 schools monthly in the form of checks, so I don't check --
3 the formula decides this is what a school gets, the check
4 goes out. But we've taken a number of steps to tighten up
5 contracting and we just recently asked the staff that --
6 to put a little sort of checkbox next to who's seen this
7 before it gets to the Commissioner's office and has the
8 leader of the team looked at it, not just somebody who
9 kind of put --

10 REP. DUCHESNE: So does the recipient of funds
11 have to certify to you they need the money now or how does
12 it work?

13 THE WITNESS: Anytime I got to find a million
14 and a half dollars in a budget and someone says, "We don't
15 really need it," that's going to bear on our decision.

16 REP. DUCHESNE: Do they have to tell you they
17 don't need it or do you check for them or --

18 THE WITNESS: They don't have to, but I'm sure,
19 as Senator Katz will tell you, if someone came to the
20 Appropriations Committee or somehow communicated to them
21 in the midst of a budget discussion, "This isn't really
22 that important to us," it's going to get a lot more
23 scrutiny than somebody who didn't say that.

24 REP. DUCHESNE: Right. Which Good Will-Hinckley
25 didn't do. That came out later.

1 THE WITNESS: Well, it came out before we made
2 the decision as to where that money should go and whether
3 or not Hinckley would get the money, which was --

4 REP. DUCHESNE: Eventually.

5 THE WITNESS: -- July 7th I think was the date
6 we sat down.

7 REP. DUCHESNE: Right, but this was after the
8 Speaker was fired?

9 THE WITNESS: It was, yeah.

10 REP. DUCHESNE: Okay, thanks.

11 SENATOR KATZ: Thank you. Senator Diamond.

12 SENATOR DIAMOND: Thank you, Mr. Chairman.

13 I want to just get a little bow around this if I
14 can because (indiscernible).

15 THE WITNESS: Yeah.

16 SENATOR DIAMOND: First, did you know on the
17 22nd of May that the Board had just voted seven days prior
18 to hire?

19 THE WITNESS: No.

20 SENATOR DIAMOND: So when you were offered the
21 job three times, you didn't realize that they'd already
22 made a decision?

23 THE WITNESS: Again, I didn't. I wouldn't
24 characterize it as being offered a job except when someone
25 says that three times --

1 SENATOR DIAMOND: Yeah, it's not a bad offer.

2 THE WITNESS: -- I mean, even the folks at OPEGA
3 burst out laughing when I said, "Then the third time I
4 finally realized there was something there," so --

5 SENATOR DIAMOND: So would you consider
6 yourself, and it's fair to say that you were the conduit
7 between -- on this issue between the Governor and the
8 Chair of the Board and the Board itself?

9 THE WITNESS: Yeah, in a way reluctantly so.
10 When I was no longer the policy advisor for the Governor,
11 it was a bit of a transition because, you know, it takes a
12 while to get up to speed especially during a session, so
13 we were kind of helping the new policy advisor get on
14 board. But when Mr. Moore asked me to come to lunch, I
15 knew he was the chairman of the board of a public school
16 that got public money, a K-through-12 school, which bears
17 on the work that the Commissioner does. So I said, "Sure,
18 I'll go to lunch," but it wasn't until we sat down that I
19 had any idea what the lunch was going to be about or what
20 the discussion would be. And it certainly wasn't until
21 the OPEGA report that when he left the office to come meet
22 with me someone else the office to offer the Speaker the
23 job, I wasn't aware of that until way after.

24 SENATOR DIAMOND: So you were clear of the
25 Governor's position and you were clear of, your own words,

1 the Governor's threat, yes?

2 THE WITNESS: With Jack on the 22nd or --

3 SENATOR DIAMOND: No, just after that.

4 THE WITNESS: Yeah. Can you ask -- sorry.

5 SENATOR DIAMOND: You were clear of the position
6 the Governor had taken on this issue, and you were clear
7 that --

8 THE WITNESS: On the morning of the 9th he made
9 that clear, right.

10 SENATOR DIAMOND: If nothing else, by watching
11 the news reports you would know that the Governor had made
12 the threat, yes?

13 THE WITNESS: Yes. Yes.

14 SENATOR DIAMOND: And then when you kept -- your
15 testimony today is you kept saying, "Well, the Governor
16 will like you if you don't do this again"?

17 THE WITNESS: "He'll be happy with the school if
18 --," and it's in the report, I'm sure, but the caveat, "If
19 you choose not to continue with the Speaker and find
20 someone who is qualified and capable of being effective at
21 the school," words to that effect.

22 SENATOR DIAMOND: Okay. So you knew about the
23 threat. You knew -- and then when the Speaker was fired
24 and then he liked the school again as a result of that; is
25 that a fair chronology?

1 THE WITNESS: I mean, that's the chronology, but
2 again, the issue was the Governor wanted someone -- wanted
3 the school to succeed after all the work he had done to
4 bring it back from the dead, if you will. And he didn't
5 believe -- I can't say what he believed. My impression
6 was he wanted someone who was really good to run the
7 school, and after all the work we'd done to save it not
8 have it go down the tubes.

9 SENATOR DIAMOND: And the Board voting
10 unanimously didn't have an impact on his feeling?

11 THE WITNESS: On the Governor's feelings?

12 SENATOR DIAMOND: Yeah. The Board, when they
13 voted unanimously to hire the Speaker, that did not
14 influence the Governor in terms of his opinion of the
15 hire?

16 THE WITNESS: No, I don't think it did, no,
17 because he was aware that (indiscernible).

18 SENATOR KATZ: Thank you, Senator.
19 Representative Mastraccio.

20 REP. MASTRACCIO: Thank you, Mr. Chair.

21 I got to go back to this question of the finance
22 person because I can't understand why if you believe after
23 the fact, of course, because that letter did come after
24 the threat was already made that they didn't need the
25 money, then why did you give them the money July 1st? Why

1 did you give it to them at all?

2 THE WITNESS: Because as a result of this
3 process with the Speaker, we discovered, unbeknownst to
4 us, that the loss of this money would, in fact, in the
5 words of people from the school and including Mr. Moore
6 last month, would cause the end of the school, would cause
7 the school to go under. And that was not -- which is the
8 reason they acted as they did. That was not something
9 anybody wanted. And when we realized that the loss of
10 this funding would have -- rather than having no impact at
11 all on the school would suddenly have a devastating effect
12 on the school that all of us want to continue and the work
13 that it does to continue and the students to continue to
14 benefit, then it was a different situation.

15 So I set out to talk to President Moody at that
16 time saying, "There's a very clear trail of evidence going
17 back to Speaker Cummings that this money was never
18 supposed to still be going on. It was supposed to have
19 stopped after the second year and now we're about to start
20 year five and six."

21 REP. MASTRACCIO: Excuse me, but that was all
22 after the fact. We're talking about what happened in
23 these months before it all became public, and you're
24 talking like everybody knew that and they didn't. You're
25 the only ones that it was going on, so you can't really

1 say after the fact, "Oh, they found out about it. Good
2 Will-Hinckley found it was in jeopardy because it wasn't
3 public," and the Governor said that they already knew it
4 was in jeopardy because they were already having these
5 discussions in all kinds of meetings.

6 THE WITNESS: All I can tell you is I was not
7 aware it was happening. And the only public
8 communication --

9 REP. MASTRACCIO: How is that possible?

10 SENATOR KATZ: Hold on. Hold on.

11 REP. MASTRACCIO: I'm sorry. I'm sorry, Mr. --
12 I'm sorry.

13 SENATOR KATZ: One at a time. Let him finish
14 his answer, please.

15 REP. MASTRACCIO: I know.

16 SENATOR KATZ: Thank you.

17 THE WITNESS: All I knew about -- I don't get
18 into the inner workings of the finances of every school
19 and school district in Maine.

20 REP. MASTRACCIO: Really?

21 THE WITNESS: It's 170,000 students and 247
22 school districts.

23 REP. MASTRACCIO: That was going to be my next
24 question.

25 THE WITNESS: But the communication to us -- the

1 first knowledge we had of -- this was important because it
2 helped the residential program which is an important part,
3 and it would be my assumption that without the money for
4 the residential program the kids would have to commute
5 from home instead of living on campus. And that was a
6 significant thing until the treasurer, speaking on behalf
7 of the Board, presumably the smartest person when it comes
8 to the finances of Good Will-Hinckley said, "We don't
9 really need the money. It won't affect us," while there
10 were conversations, apparently, according to Mr. Moore,
11 going on saying, "This is going to be the end of the
12 school," which I learned reading the OPEGA report or,
13 actually, I learned from media reports when the Alford
14 Foundation said, "We're not going to put our money in as a
15 result of that."

16 So this process -- I wasn't aware the Alford
17 Foundation was funding anything at Good Will-Hinckley or
18 that the amount would be so detrimental to the school.
19 This process made us aware that our money would lead to
20 the loss of the Alford money, which would lead to the loss
21 of the school, and that changed our opinion of whether we
22 should fund this.

23 And, again, I said to the school, "We will
24 basically reset our relationship back four years. You
25 have a year to figure out how to live without this money

1 or we won't send you the second year of the budget. And
2 even if you do, the second year is the last year you're
3 going to get money," which was the posture of the
4 administration four years prior, and nothing changed in
5 that way to get the school back weaned off, if you will,
6 of this money. So our decision was we don't want the
7 school to end. We'll give you two more years to figure it
8 out, but you cannot go on with this money forever.

9 REP. MASTRACCIO: I'm apologizing to you, Mr. --
10 I just want to follow up with one other question because
11 you spoke about the process. I'm from a school district
12 that's a really high receiver of state aid to education.
13 I was on the school board for 12 years and hired at least
14 three or four superintendents. And in that process, the
15 Governor and the Department of Education, the
16 Commissioner, never inserted themselves between the school
17 board and the hiring process of the superintendent, which
18 was the most important position in our school district and
19 the only one that the school board really had any say
20 over, much the same way that the Good Will-Hinckley board
21 had say over who their president was going to be. And we
22 received a whole lot more money than Good Will-Hinckley
23 ever did.

24 So what's different about those things? Is it
25 that if the Governor expresses interest or he supports it

1 and then if you do something that he doesn't like that you
2 take that away? I mean, what is it about this process
3 that was so different that the Governor thought he had the
4 right to insert himself into the hiring of a president for
5 a private board?

6 THE WITNESS: I can't tell you what was in the
7 Governor's mind or why his opinion of that was different
8 from another. I would say you'd have to ask him, but I
9 know that would be met with a few chuckles from the Board,
10 so --

11 REP. MASTRACCIO: Well, did you feel that you
12 did that as well in threatening to withhold the funding?

13 THE WITNESS: I did not threaten to withhold the
14 funding. I did not communicate to Good Will-Hinckley that
15 we were threatening to withhold the funding.

16 REP. MASTRACCIO: Okay.

17 SENATOR KATZ: Thank you. Representative
18 Sanderson.

19 REP. SANDERSON: Thank you, Mr. Chair. Thank
20 you for being here today.

21 Do public schools such as what Representative
22 Mastraccio was just speaking about, do they receive extra
23 funding for special projects out of the miscellaneous
24 account?

25 THE WITNESS: There are competitive grants.

1 There are if you do this we'll help fund it, meaning any
2 school who accomplishes this will get the money, but
3 there's not, let's say, five and a half -- \$530,000 fund
4 that goes to the school specifically for keeping the
5 school in business, which is what initially was the reason
6 for it, no.

7 REP. SANDERSON: Okay. And the other two
8 schools, the Maine School for Science & Mathematics, the
9 Maine Center for the Deaf & Hard of Hearing, those we are
10 statutorily required to fund --

11 THE WITNESS: Right.

12 REP. SANDERSON: -- because we own those
13 schools?

14 THE WITNESS: Correct.

15 REP. SANDERSON: Okay. Do we own the Center for
16 Excellence at risk --

17 THE WITNESS: We do not.

18 REP. SANDERSON: We do not own them. They still
19 receive the standard funding as all do other public
20 schools?

21 THE WITNESS: They get a -- yes, an amount per
22 pupil that registers in the charter school, right.

23 REP. SANDERSON: Okay.

24 THE WITNESS: From the State.

25 REP. SANDERSON: Thank you. All right.

1 And just one other area I would like to address
2 here. I would like to go back to May 22nd when you had a
3 meeting with the Good Will-Hinckley Board chair. And I'm
4 going to read here saying, "The Acting Commissioner also
5 told OPEGA that the Good Will-Hinckley Board chair
6 described to him the Speaker's responses to a couple of
7 questions asked in the Speaker's interviews with Good
8 Will-Hinckley.

9 The Good Will-Hinckley Board chair told him that
10 the Speaker said he would not only be busy for three days
11 a week with his work as a Speaker during the session and
12 that he and the Governor were on good terms."

13 And then down to the next one he said, "He
14 indicated to OPEGA that he has reservations --," the Good
15 Will-Hinckley Board chair is who I'm speaking of --," that
16 he had reservations about hiring the Speaker despite his
17 vote at the May 15th Good Will-Hinckley Board meeting."

18 Did he share with you what those reservations
19 were?

20 THE WITNESS: I don't think he announced them
21 specifically. My very clear impression from the lunch, I
22 can tell you under oath here today, was that he was not
23 happy about hiring the Speaker and he was looking for some
24 alternative other than doing so. And he asked me for
25 names. He expressed whether I was interested.

1 The purpose of the lunch as I perceived it very
2 clearly was, "The search committee has arrived at these
3 two names and I don't like either of them. I got to do
4 something. Can you give me some advice?"

5 REP. SANDERSON: Even after it had been voted on
6 unanimately on the 15th?

7 THE WITNESS: Which I wasn't aware of until
8 later, but yeah. I mean, I wasn't aware of that someone
9 was then in route to meet with the Speaker and offer him
10 the job. I just know that he expressed to me great
11 displeasure with the Speaker as the next president of Good
12 Will-Hinckley.

13 REP. SANDERSON: And he did not articulate to
14 you any of the reasons why?

15 THE WITNESS: We have a general discussion about
16 that, and I think it was -- some of them were my ideas and
17 some were his. I don't remember specifically if he said
18 it was this or this, but generally, he was very displeased
19 with the thought of having to hire the Speaker.

20 REP. SANDERSON: Did he indicate to you at all
21 about how the Governor may react to the hiring of Speaker
22 Eves?

23 THE WITNESS: I mean, he didn't ask. I just
24 expressed my opinion and, again, I was effectively
25 dropping back into my old role as the senior policy

1 advisor for education, and I said to him, "He lives two
2 hours away. He's Speaker. He's opposed charter schools
3 vehemently for three years, four years now. He has a
4 young family." I mean, there's a lot of reasons why
5 Hinckley was looking clearly, and it turns out they had
6 expressed all of these very strong exceptions to weeks
7 earlier.

8 They were looking for someone who was away more
9 than full-time person, you know, late at night, traveling,
10 press events and all that, and any sitting Speaker of the
11 House was simply not capable of giving that kind of time
12 to a school. And someone who lived roughly two hours away
13 who was prohibited from moving by the fact that he was in
14 the legislature was not the person who could spend long
15 hours into the wee hours of the morning benefiting the
16 school. So that was the back-and-forth discussion we had,
17 and so expressed those to him, and I assumed that he took
18 those as the Governor's point of view, too, and it turns
19 out in the Governor's public letter they were the roughly
20 the same issues that I raised.

21 REP. SANDERSON: Did he indicate, though, that
22 he understood that after being such a tremendously
23 stalwart supporter of the school and fighting for the
24 school and funding for the school -- in the implementation
25 I believe it was in the 125th where the Speaker was a

1 vocal and vigorous opponent, did he indicate to you that
2 this might not be -- go over well?

3 THE WITNESS: Did Mr. Moore do that?

4 REP. SANDERSON: Yeah.

5 THE WITNESS: He may have. Most of it was him
6 asking my opinion and mine saying this to me sounds like
7 for these reasons not a great idea.

8 One of the things I was having difficulty with
9 is I can't right now off the top of my head come up with a
10 name who is so much better than the Speaker that it would
11 trump the work of the search committee. And I got the
12 impression that's what he was looking for, someone so
13 great that he could go back to the Board and say, "I know
14 you did all this work, but look at this great person." I
15 said, "I don't have that person for you. I can't think of
16 anyone like that."

17 REP. SANDERSON: Did you ask him if they -- in
18 regard to the other applicants -- there were 19 in all,
19 correct, or 19 --

20 THE WITNESS: That's what I've read, yes.

21 REP. SANDERSON: I mean, did you ask him what
22 the qualifications were for the other individuals, whether
23 there was anybody who may have been -- who actually did
24 have an educational background, superintendent background?

25 THE WITNESS: I didn't, but I did voice that,

1 you know, the Speakers never run a school and so on, but I
2 didn't -- and, you know, ask him more about the other
3 candidates, so --

4 REP. SANDERSON: Thank you.

5 THE WITNESS: Yeah.

6 SENATOR KATZ: Thank you. Senator Johnson.

7 SENATOR JOHNSON: Thank you, Mr. Chair.

8 Mr. Desjardin, so I want to go back for a moment
9 to the checks at issue, and so this is a practice that has
10 been in place for decades, you said?

11 THE WITNESS: It may have been, yeah.

12 SENATOR JOHNSON: And so for the years that this
13 check was being cut to Good Will-Hinckley, when would they
14 have been receiving that check?

15 THE WITNESS: The next person in the batting
16 order here is the best person to answer that question
17 after 35 years in the Department, I'm sure Ms. Beaudoin
18 could give you that history. I'm not -- I don't know.

19 SENATOR JOHNSON: Normally, and given that we
20 are talking about stopping a check which was already in
21 the works on the 9th, you would expect that before the end
22 of the month of June they would have received such a check
23 in past years?

24 THE WITNESS: They may have, but I think they
25 were on their third --

1 SENATOR JOHNSON: And that would be their
2 expectation --

3 THE WITNESS: -- financial officer and their
4 third president in the matter of two years, so I don't
5 think that institutional knowledge was necessarily there.
6 All I can say is that at the last meeting and in the OPEGA
7 report, Mr. Moore said we knew we had until July 1st, so
8 he -- nothing in his testimony to OPEGA or to you
9 indicated that the absence of the check raised some alarm
10 or they, according to his testimony, didn't seem to be
11 expecting it. And we certainly didn't communicate to them
12 that it's not coming.

13 SENATOR JOHNSON: So I guess maybe I'll have to
14 ask the question later to find out when they normally
15 would be receiving that, but something changed in Good
16 Will-Hinckley's impression of whether the threat was
17 serious between when they hired and subsequently moved
18 ahead with signing papers with the Speaker, which I
19 believe happened after your conversations with him and
20 after the June 9th cabinet meeting. It happened actually
21 much closer to the end of the month.

22 THE WITNESS: I just remember that that morning
23 there was a public announcement I think in the Bangor
24 Daily News that the Speaker had been chosen as the -- I
25 mean, it became official and publicly announced.

1 SENATOR JOHNSON: And something happen between
2 then and when the Board decided that they had no other
3 choice but to fire Speaker Eves based on the perceived
4 threat. And I think it's this committee's responsibility
5 to understand what happened. That is part of answering
6 the question about what happened with the funding and the
7 understanding of the reason for that funding. So do you
8 have anything else you can tell us regarding
9 communication, whether it was directly to Good Will-
10 Hinckley or anywhere else regarding the cancellation of
11 that check?

12 THE WITNESS: No. And as I said, it was not --
13 the decision was not there not going to ever receive
14 funding. The decision was today's not the day to make
15 that decision. Now is not the time to send the check. So
16 when Suzan said to me, "Should we pull the check?" I
17 pondered it for a while and finally said, "You know, we'd
18 better not, I mean, we better pull it and hold onto it."

19 SENATOR JOHNSON: So you're saying that -- are
20 you aware of any communication by you or any of the
21 Department of Education staff informing Good Will-Hinckley
22 that because the check was not required to be issued until
23 July 1st that you will not be doing so?

24 THE WITNESS: The only other piece of
25 information other than what we've all read in the paper is

1 an incredibly erroneous newspaper article that tried to
2 describe those events based on the testimony of one
3 anonymous source that wasn't present for any of the
4 meetings and said that someone was called to the
5 Governor's officer and ordered to pull the check. Almost
6 nothing in that article was accurate. We informed the
7 reporter that it was inaccurate and it ran anyway. And
8 since then, most of your knowledge and our conversations
9 have been around this erroneous newspaper article, which
10 is, you know, wrong wholesale. And my opinion not being a
11 journalist to base an entire newspaper article on one
12 anonymous source without backup or confirmation explains
13 why we're having so much discussion about something that
14 didn't happen.

15 So that came out, I forgot what date that
16 article came out, maybe the 20th, 22nd, somewhere in
17 there. That may have -- I'm sure Good Will-Hinckley read
18 that and that was the first I think anybody but those of
19 us in the room knew about the check being pulled. As Mr.
20 Chadbourne testified, he didn't know about it. Cindy
21 Montgomery testified she didn't know about it until the
22 article came out. We didn't cut the check and then tell
23 everybody, so therefore, we didn't consummate the threat.

24 It's much like, you know, if I'm going to
25 threaten you and I don't tell you about it, you're not

1 going to feel very threatened, so we did not communicate
2 in any way to Good Will-Hinckley that we've pulled this
3 check because by the time we did, we might have been ready
4 to send it, do --

5 SENATOR JOHNSON: So we've heard testimony from
6 Good Will-Hinckley, and it's reported by various parties
7 in this report, that they understood the Governor's
8 displeasure to mean funding being withheld.

9 Furthermore, there was in that newspaper article
10 on the 22nd information that a check was canceled, which
11 if they were to check their files and find that that check
12 ordinarily was received by them already and now subsequent
13 to the threat has not been received by Good Will-Hinckley,
14 can you envision someone not considering that as a
15 heightening of the threat?

16 THE WITNESS: If it were me at Good Will-
17 Hinckley, I would have picked up the phone and called the
18 source of the check and said, "Is this true? Is the check
19 coming? What's the status of that?" but no one at Good
20 Will-Hinckley contacted the Department as far as I know
21 and asked, "Is this true and are we not getting the check?
22 Has a decision been made?" If they had, I would have
23 said, "No, we simply haven't made the decision yet and we
24 won't until the fiscal year begins."

25 SENATOR JOHNSON: Thank you.

1 SENATOR KATZ: Thank you, Senator.
2 Representative Kruger.

3 REP. KRUGER: Thank you, Mr. Chair, and thanks,
4 Tom, for having in there.

5 THE WITNESS: Sure.

6 REP. KRUGER: Hope you're feeling all right.

7 THE WITNESS: Yeah, I am. Thanks.

8 REP. KRUGER: Has the 530,000 in state funds now
9 gone to Good Will-Hinckley?

10 THE WITNESS: The first quarterly payment, it's
11 paid in quarters, was sent. We signed a new agreement
12 between myself and the president and the check went I
13 think around the 10th of July, somewhere in there.

14 REP. KRUGER: Okay. Has a new president been
15 hired, to your knowledge?

16 THE WITNESS: I have no idea. I don't believe
17 so because -- well, it's been a few weeks, but the last
18 contact I had was with President Moody.

19 REP. KRUGER: Is the Governor getting involved
20 in that decision?

21 THE WITNESS: I have no idea.

22 REP. KRUGER: Thank you.

23 SENATOR KATZ: Representative Mastraccio.

24 REP. MASTRACCIO: Thank you, Mr. Chair.

25 I just have a couple of questions around Mr.

1 Moore and his testimony because listening to you the way
2 that that meeting, that luncheon meeting, Mr. Moore sounds
3 like he didn't really expect -- he didn't want Speaker
4 Eves to be the president of Good Will-Hinckley. I want
5 you to know that we heard him and maybe he wasn't under
6 oath, but he clearly did not give us that impression. It
7 was already a unanimous board vote that he stood behind.
8 I think --

9 THE WITNESS: Which he didn't communicate with
10 me during the luncheon.

11 REP. MASTRACCIO: Well, you know, regardless of
12 whether, you know, the fact that when you communicate
13 something to someone and then they give you immediate
14 displeasure, that might lead you to not maybe be totally
15 at that point say, "Oh, what's going on here?" However,
16 he said very clearly at the end of his testimony in front
17 of this committee that were it not for the insertion of
18 the Governor and the Commissioner and everybody in this
19 process that the Speaker would be president of Good Will-
20 Hinckley today, and that was his assessment that it was
21 only the threat of the withholding of the funds that led
22 the Board down that road. It was a domino effect. And I
23 just wondered, I mean, how can your testimony be so
24 different from his?

25 THE WITNESS: I can tell you if you look at the

1 report, his assessment of that lunch was that -- I'd have
2 to -- if I could find the -- remember the exact words, but
3 they were to the effect of after meeting with me, he had
4 the impression, "Well, this is insurmountable," so he
5 walked away from my conversation with him thinking, you
6 know, this isn't the end of the world. What I
7 communicated to him about what I thought were probably
8 going to be the Governor's feelings and it turns out they
9 were almost the same order, that he felt walking away from
10 the lunch that it was not something that couldn't be
11 overcome.

12 So as far as how we both came away from the
13 lunch, his impression, as he stated, was that, "Well, this
14 isn't the worst thing in the world. We can work with
15 this." I'm paraphrasing, but --

16 So that was my involvement with Jack for the
17 long luncheon. Subsequently, he got impressions from
18 people other than myself and a lot of others that changed
19 his impression from the day we walked away from the lunch
20 until later on. So I can only tell you that his testimony
21 was we walked away from the luncheon thinking, you know,
22 this is not -- this is overcomable (sic). This is not --
23 again, I see people paging through. I've forgotten the
24 exact words he used, but you know, that this was not
25 insurmountable. The Governor's opposition is he felt I

1 had expressed it was insurmountable.

2 REP. MASTRACCIO: So your testimony today is
3 that you never ever conveyed a threat to withhold Good
4 Will-Hinckley -- the funding to Good Will-Hinckley if they
5 continued to proceed with their unanimous vote to hire the
6 Speaker of the House as the president?

7 THE WITNESS: And, again, I somewhat disengaged
8 from the process because I was the commissioner, not the
9 policy -- I wasn't working in the Governor's office. I
10 never said to him, "This is going to lead to the loss of
11 money," and I wouldn't have because even after the
12 Governor said, "I don't want them to get the money, I've
13 on many occasions seen the Governor a week or two later
14 say, "Well, new information, things have changed. Fine,
15 go ahead and send the money." So I did not -- and this
16 was two hours after he had learned that it had become
17 official, you know.

18 I often change my mind, too, so I was not of
19 that mindset. And when I spoke -- I didn't speak with
20 Jack after that for a couple of weeks. We exchanged those
21 few emails, and when I did communicate with him, he said
22 -- I said, "Yeah, the Governor would be happier if the
23 school was not run by Mark Eves." And I then added, "Or
24 anybody else that is not qualified to run the school," in
25 the Governor's point of view to run the school. And I'm

1 adding -- I'm kind of expressing the Governor's point of
2 view, which isn't one from my head. I mean, from what the
3 Governor said, that was his point of view, so --

4 SENATOR KATZ: A couple of final questions if I
5 could.

6 THE WITNESS: Sure.

7 SENATOR KATZ: Was there any discussion -- do
8 you have any knowledge of what the actual selection
9 process was? I mean, you've read about it in the report,
10 but before that, did you know?

11 THE WITNESS: Not before. I read it about in
12 the report, yeah.

13 SENATOR KATZ: Okay. And the Governor, to your
14 knowledge, did he have any knowledge of how the selection
15 process had moved to the selection of the Speaker?

16 THE WITNESS: We didn't discuss that. I think
17 the outcome was, to him, revealing of surely a -- you
18 know, I'm inferring what he might have been thinking, but
19 surely a process that leads to this outcome couldn't have
20 been well done, I'm assuming is what he was thinking.
21 It's the outcome, not the process, but we never discussed
22 the process.

23 SENATOR KATZ: All right. Let me just step back
24 if I can just for a second, and I -- because Mr. Moore
25 couldn't have been clearer with us that here's what

1 happened. The Speaker is selected to be the new
2 president. That there is now a threat from the
3 administration that if the Speaker continues -- well, let
4 me step back a bit, that the Governor learned that the
5 Speaker had been selected as the president, that the
6 Governor expressed great displeasure with that and
7 essentially said through you or through other members of
8 administration that if that continued that the State
9 support would be withdrawn. That then triggered the
10 Harold Alfond Foundation to reconsider its own continued
11 commitment to see through its commitment to Good Will-
12 Hinckley, and that pressured the school into rescinding
13 its offer to hire the Speaker. Let me suggest to you that
14 that's essentially what he said.

15 So where is the school getting this impression
16 that the funding was going away if the Speaker were
17 continue to be hiring?

18 THE WITNESS: I don't know that he expressly
19 explained that. I wasn't in the board meetings privy to
20 their discussions. I was involved at the beginning and
21 then the one phone call with Jack at the end, and so I
22 can't tell you why they got the impressions that they got.

23 SENATOR KATZ: Well, Mr. Moore never spoke
24 directly to the Governor as far as we know. Mr. Moore got
25 a handwritten note from the Governor expressing

1 displeasure about the hiring, but not threatening
2 withdrawal of the funds. And the only people Mr. Moore
3 spoke to were you and perhaps Mr. Chadbourne, I don't
4 recall, but where else could Mr. Moore have gotten that
5 impression?

6 THE WITNESS: I would have to look at the dates
7 and times the Governor made public statements about it.
8 There were pretty clear impressions from there that don't
9 have to come from myself or Mr. Chadbourne or -- so I
10 haven't built a timeline around when the Governor was on
11 the radio or television expressing his points of view, but
12 -- or present for any of the meetings at Good Will-
13 Hinckley where they said, "This is why we have this
14 impression." So I can only tell you what I said and how I
15 said it and how they took it I can't, you know -- I'm not
16 inside their head, so I can't explain it.

17 SENATOR KATZ: Have you discussed your testimony
18 here today with anybody else prior to today, sir?

19 THE WITNESS: Other than my wife, no. She'd
20 want me to get her name in there (indiscernible).

21 SENATOR KATZ: Thank you. Other questions for
22 Mr. Desjardin? Seeing none, thank you very much for your
23 endurance and for being here.

24 THE WITNESS: Thank you. Sure.

25 SENATOR KATZ: It's now 20 minutes of 1,

1 probably a good time to take a break. We're going to
2 break just for 30 minutes. We're going to convene at 10
3 minutes past 1 sharp. Thank you.

4 (OFF RECORD)

5 SENATOR KATZ: Thank you very much. We have a
6 couple of other members who will be joining us that had
7 other commitments, things they had to do over the break,
8 so they'll be right back, but we are going to start again,
9 and our next invited guest is Suzan, is it Beaudoin?

10 MS. BEAUDOIN: Beaudoin.

11 SENATOR KATZ: Beaudoin, excuse me, Suzan.
12 Welcome. And I'm going to ask you to raise your right
13 hand, please. Do you swear that the testimony you're
14 about to give is the truth, the whole truth, and nothing
15 but the truth?

16 MS. BEAUDOIN: Yes.

17 SENATOR KATZ: Thank you very much.

18 Whereupon,

19 SUZAN BEAUDOIN,
20 having been duly sworn, was examined and testified as
21 follows:

22 SENATOR KATZ: Good afternoon.

23 THE WITNESS: Good afternoon.

24 SENATOR KATZ: And could you tell us who you are
25 and what you do and we'd be pleased to hear any kind of

1 opening statement you might like to make.

2 THE WITNESS: I'm Suzan Beaudoin. I'm the
3 Director of School Finance & Operations. I've been the
4 Director since the fall of 2013. I've worked in various
5 positions with the Department of Education since 1984.
6 And I've worked for the State government since 1979. I'm
7 a resident of Vassalboro, and grew up in Augusta.

8 SENATOR KATZ: Thank you. Is there anything
9 you'd like to tell us about your involvement in this
10 matter before some Committee members may have questions?

11 THE WITNESS: I may want to tell you about how
12 payments in the State government occur.

13 SENATOR KATZ: Sure.

14 THE WITNESS: Okay. Because it might clarify
15 some things.

16 If it's not an automated, computerized payment
17 system like our State subsidy system, we often have
18 direction sometimes in law on how to make these payments.
19 In some of these cases these payments are quarterly. What
20 we do is prepare a manifest, and that manifest goes down
21 into the Daft Service Center to be processed.

22 In past years, manifests in June, of course it's
23 the busiest time of year in State government because of
24 the close of the fiscal year, may take a month to process,
25 so they're not as inefficient as that anymore with new

1 systems and stuff.

2 The other problem in the past years is that the
3 first week of July we used to shut down the whole
4 accounting system, so that would be an issue about getting
5 somebody some operating money at the beginning of the
6 quarter. In cases of the Maine School of Science & Math
7 and the Baxter School for the Deaf, which are the two
8 other schools that we pay, this is pretty much their
9 operating money, their quarterly payment for the whole
10 operating their schools for those periods. So I just
11 wanted you to be aware of that, so --

12 SENATOR KATZ: Thank you. Questions from the
13 Committee? Senator Johnson.

14 SENATOR JOHNSON: Thank you, Mr. Chair, and
15 thank you for coming, Ms. Beaudoin.

16 Could you explain the timing by which they could
17 expect to receive the checks?

18 THE WITNESS: Nowadays it's a lot faster. The
19 State normally does payments on Fridays now, and they
20 process things -- it depends on when you send it down
21 there, which Friday it's going to hit. Sometimes you're
22 lucky it will get that Friday, but it may be the following
23 Friday.

24 SENATOR JOHNSON: So on the check that was in
25 the works, the manifest was there and you went and, you

1 know, got that pulled back, and that was on the 9th --

2 THE WITNESS: 9th, yeah. It probably would have
3 been going out -- would have been lucky if it had gone out
4 that Friday, but probably the Friday after.

5 SENATOR JOHNSON: Okay. And so how many of
6 those checks, how many years had Good Will-Hinckley, the
7 MeANS school at Good Will-Hinckley, been receiving those
8 quarterly payments in that manner?

9 THE WITNESS: They started in 2012, I believe.
10 That's the first year. And then we had 330,000 I believe
11 that year. It's in the report. So I just -- like I said,
12 I had the other two schools that got quarterly payments.
13 I just processed them at the same time.

14 SENATOR JOHNSON: And so you were in the
15 Department of Education lead meeting that was immediately
16 after Acting Commissioner Desjardin had the conversation
17 with the Governor in which the Governor directed him
18 regarding funding, do not send Good Will-Hinckley any
19 money that wasn't required by law. Can you explain to us
20 what the conversation was in your lead meeting regarding
21 Good Will-Hinckley, what matters were covered in that?

22 THE WITNESS: He was -- it was a very short
23 conversation. He just mentioned that they had a
24 discussion, not a discussion, it was mentioned about the
25 meeting after, I believe, the cabinet meeting, and

1 discussion about the Good Will-Hinckley hiring of Speaker
2 Eves. And I'm not sure if he mentioned that the Governor
3 said -- I don't know if it was then that they mentioned
4 the funding, but I happened to mention this, that we just
5 set down a manifest for Good Will-Hinckley, and that's the
6 only one I mentioned. Actually, it's a combination of
7 Good Will-Hinckley MeANS. We have one vendor code for
8 that system, so --

9 SENATOR JOHNSON: Because Good Will-Hinckley
10 doesn't receive money from the State for other things
11 besides MeANS school, transportation and (indiscernible)
12 schools?

13 THE WITNESS: Yes. They actually receive some
14 money for State (indiscernible) clients that attend there.
15 That's a different source of funding. They're placed
16 there by IEPs.

17 SENATOR JOHNSON: But is that actually from the
18 Department of Education?

19 THE WITNESS: Yes, that is.

20 SENATOR JOHNSON: Oh, it is. And that's under
21 the same code as well?

22 THE WITNESS: It's not under the same code.
23 It's in the miscellaneous cost category. It's one of
24 those.

25 SENATOR JOHNSON: So if I understand you

1 correctly, you're saying you don't recall whether there
2 was any discussion of the direction from the Governor, but
3 pursuant to having heard that Eves was hired, you're
4 saying that you volunteered, "There's a check being
5 processed, should we hold it?" Is that what you're trying
6 to say.

7 THE WITNESS: I said, "We just sent the manifest
8 downstairs to be processed for Good Will-Hinckley for the
9 MeANS.

10 SENATOR JOHNSON: So are you suggesting that --
11 I mean, would it make any sense to you that if their
12 discussion was about the school hiring someone that the
13 Governor was not pleased with that the next response
14 should be immediately, "Oh, gee, there's a payment going
15 out. Should we hold it?" Has that ever happened
16 regarding any other hiring of executives or displeasure of
17 the Governor?

18 THE WITNESS: I've been working for State
19 government a very long time. You mean in the past year?

20 SENATOR JOHNSON: If you'd like to qualify it
21 that, that's --

22 THE WITNESS: Thank you. I'm not very good at
23 recalling conversations, okay.

24 SENATOR JOHNSON: Okay.

25 THE WITNESS: So be aware of that. And the

1 exact verbiage that then Acting Commissioner Desjardin had
2 said that day led me to say, "There's a payment in
3 process."

4 SENATOR JOHNSON: So what you're saying is you
5 really don't recall what the substance of that
6 conversation was that led you to volunteering that
7 information?

8 THE WITNESS: Yes. Yeah.

9 SENATOR JOHNSON: Thank you.

10 SENATOR KATZ: Other questions? Representative
11 Duchesne.

12 REP. DUCHESNE: Thank you, Senator, and boy, am
13 I sympathetic because I can't remember conversations
14 either, but the OPEGA brief suggests that there was some
15 differing recollections from the members of the people who
16 were in the meeting as to what conversations happened and
17 what transpired. I guess the key question is was it ever
18 discussed that the Governor had the potential intention of
19 not paying?

20 THE WITNESS: No.

21 REP. DUCHESNE: Okay.

22 THE WITNESS: Okay.

23 REP. DUCHESNE: So what was discussed, to your
24 recollection, is that the Governor is concerned, doesn't
25 like the hire. This is going to get testy. But there was

1 no mention of actually withholding all the funds, to your
2 recollection?

3 THE WITNESS: No. My recollection and my
4 biggest thing, recollection in there is that the Acting
5 Commissioner paused for a long, long time before he made
6 the decision. And I suspect -- we also had in our mind
7 that we did have the cuts coming. We've been discussing
8 that for some time, so we had to make those cuts in that
9 miscellaneous cost category, which this was one of them.

10 REP. DUCHESNE: Thanks.

11 SENATOR KATZ: Other questions? I've just got
12 one. Were you ever called to the Governor's office to
13 discuss this issue?

14 THE WITNESS: No.

15 SENATOR KATZ: Are you aware of anybody else
16 from your office who might have been?

17 THE WITNESS: I am not aware of anybody else
18 from my office going to the Governor's office for this
19 purpose.

20 SENATOR KATZ: Okay, thank you. Other
21 questions? It's always nice to have a Cony High School
22 graduate here. Representative Kruger.

23 REP. KRUGER: Thank you. Who directed you to
24 stop the payment?

25 THE WITNESS: I asked, I asked Commissioner

1 Desjardin if he wanted me to hold the payment, pull the
2 manifest, and that's when he paused for a long time and
3 finally said yes.

4 REP. KRUGER: Were there any subsequent email
5 communications regarding the stop payment?

6 THE WITNESS: At that point I email one of my
7 staff to pursue pulling the payment, and I believe you
8 have copies of those.

9 REP. KRUGER: Okay. But there was nothing from
10 the administration side other than your staff?

11 THE WITNESS: No.

12 REP. KRUGER: Did you or anyone on your staff
13 speak directly with the Governor in the Governor's office
14 or was it all with Commissioner?

15 THE WITNESS: I only spoke to the Commissioner.

16 REP. KRUGER: Okay. Have you ever withheld a
17 payment like this before involving Daft's or, you know --

18 THE WITNESS: I've pulled payments before, yeah.

19 REP. KRUGER: Yeah?

20 THE WITNESS: For many different purposes, so --

21 REP. KRUGER: Were other payments from the
22 miscellaneous account made around this time?

23 THE WITNESS: Yes. We did make the payments to
24 the Maine School of Science & Math and the Maine Center
25 for Deaf & Hard of Hearing; however, I did not give them a

1 full quarterly payment because the budget hadn't passed
2 yet, so I gave them a partial payment.

3 REP. KRUGER: Thank you.

4 SENATOR KATZ: Other questions? Senator
5 Diamond.

6 SENATOR DIAMOND: Thank you, Mr. Chairman. Good
7 afternoon and welcome. Cony High School, you said?

8 THE WITNESS: Yeah.

9 SENATOR DIAMOND: Oh, Gardiner.

10 THE WITNESS: UMA, UMO, too.

11 SENATOR DIAMOND: There used to be a rival
12 between Gardiner and Cony, but that's --

13 THE WITNESS: Didn't we just beat somebody?

14 SENATOR DIAMOND: At the meeting with the long
15 pause, following that meeting, did you ever have further
16 discussions with the Acting Commissioner on this issue?
17 And, if so, what were those discussions about?

18 THE WITNESS: Not specifically on this issue.
19 We had a discussion on July 7th about cuts having to do
20 with the 1.5 million plus other cuts that we had to do in
21 that miscellaneous cost category.

22 SENATOR DIAMOND: Okay, but nothing specifically
23 to this issue that we're talking about today, no
24 discussions with the Acting Commissioner at all?

25 THE WITNESS: No.

1 SENATOR DIAMOND: Okay, thank you.

2 SENATOR KATZ: Representative Mastraccio.

3 REP. MASTRACCIO: Thank you, Mr. Chair.

4 So when you had that meeting on the 7th to
5 discuss the cuts --

6 THE WITNESS: 9th.

7 REP. MASTRACCIO: Oh, the 9th, July 9th, it was?

8 THE WITNESS: June 9th.

9 REP. MASTRACCIO: June 9th.

10 THE WITNESS: Oh, July 7th for the cuts, yeah.

11 REP. MASTRACCIO: Yeah. You just said that
12 that's the next time that you really discussed it.

13 THE WITNESS: Yeah.

14 REP. MASTRACCIO: Was Good Will-Hinckley even
15 mentioned at that point?

16 THE WITNESS: All the pieces in that section
17 were mentioned, so they were not alone.

18 REP. MASTRACCIO: And so can you tell us what
19 the discussion was around why Good Will-Hinckley should
20 not be cut at that point?

21 THE WITNESS: At that time we had more
22 information on its connection to the Alford Funding and
23 the need for the residential facility, the fact that there
24 wasn't a -- we discovered there was not a contract in
25 place, so we had a lot more information at that point in

1 time.

2 REP. MASTRACCIO: May I ask one more question?

3 SENATOR KATZ: Yes.

4 REP. MASTRACCIO: So the fact that the Speaker
5 had been fired and was no longer in the running to be the
6 president of Good Will-Hinckley was never mentioned at
7 all? That was never brought up?

8 THE WITNESS: Not at that meeting, no. We had
9 other things to do in that meeting, so --

10 SENATOR KATZ: Anything further? Senator
11 Johnson.

12 SENATOR JOHNSON: Thank you, Mr. Chair.

13 I just wanted to follow up on that. When and
14 from whom did you learn that Mark Eves had been fired by
15 Good Will-Hinckley?

16 THE WITNESS: I probably learned it in the paper
17 just like everybody else when he would have been fired, so
18 that's on the news.

19 SENATOR JOHNSON: And were there discussions of
20 that matter with your peers in the Department of Education
21 prior to that budget meeting you just discussed?

22 THE WITNESS: I don't recall any of that, any
23 discussions having to do with that, no.

24 SENATOR KATZ: Thank you. Representative
25 Kruger.

1 REP. KRUGER: Thank you again. I appreciate
2 your coming.

3 Was it your feeling in your conversations with
4 Commissioner Desjardin that his direction was coming from
5 the Governor?

6 THE WITNESS: No.

7 REP. KRUGER: This was him?

8 THE WITNESS: Yeah.

9 REP. KRUGER: Okay. Okay, thank you.

10 SENATOR KATZ: Seeing no further questions,
11 thank you.

12 I have to ask, did you produce all the documents
13 you were requested to produce?

14 THE WITNESS: Yes, I did.

15 SENATOR KATZ: Okay, thank you very much.
16 Thanks for being here.

17 Next person is Rich Abramson, and while he's on
18 his way up here, I know that Senator Diamond is a graduate
19 of Gardiner High School. It's been so busy this fall I
20 wasn't able to see who won the Cony-Gardiner game this
21 year.

22 SENATOR DIAMOND: My sense is you did see it,
23 Mr. Chairman.

24 SENATOR KATZ: Good afternoon, Mr. Abramson.
25 Could you please raise your right hand. Do you swear the

1 testimony you're about to give will be the truth, the
2 whole truth, and nothing but the truth?

3 MR. ABRAMSON: It will be.

4 Whereupon,

5 RICH ABRAMSON,

6 having been duly sworn, was examined and testified as
7 follows:

8 SENATOR KATZ: Good afternoon.

9 THE WITNESS: Good afternoon.

10 SENATOR KATZ: I've got a couple questions to
11 ask you, if I can, and just for everybody's benefit before
12 we do, do you have any opening statement you'd like to
13 make?

14 THE WITNESS: No. I've listened to a lot of the
15 testimony this morning. I don't have anything right now
16 that I could add.

17 SENATOR KATZ: Okay.

18 THE WITNESS: I'm sure the questions will be
19 forthcoming.

20 SENATOR KATZ: All right. And just for
21 everybody's knowledge who's here in the public, everybody
22 we're talking to this afternoon has previously been
23 interviewed by OPEGA, and so we've already got some
24 information on the involvement and recollection of
25 everybody who will be here this afternoon, so hopefully,

1 the questioning will go more quickly than it did this
2 morning as a result.

3 So I wanted to just focus on a couple of things,
4 if I could, and one of them was June 5th, and as I
5 understand it, you received a call from the Governor that
6 day; do you recall that?

7 THE WITNESS: Correct, I do.

8 SENATOR KATZ: Okay. Could you tell us about
9 that conversation, how long it lasted and what you recall
10 about the conversation?

11 THE WITNESS: I received notice from my
12 secretary that the Governor was going to be calling my
13 cell phone, and shortly thereafter my cell phone rang and
14 it was the Governor. We did have trouble connecting. I
15 ended up, or he ended up being disconnected twice while we
16 were talking, which didn't help the conversation at all.

17 I did receive a call from the Governor, told him
18 I pleased I was that he was calling and he informed me
19 that he was extremely upset. He had recently learned that
20 Good Will-Hinckley had offered the position, had hired
21 Mark Eves as the next president of Good Will. He talked
22 to me about the concerns that he had for Mark particularly
23 around his voting record. Asked whether or not as part of
24 the process we looked at Mark's voting record, which I
25 informed him we didn't. We tried as diligently as we

1 could to be non-partisan through this whole process.

2 It was obvious that the Governor was upset with
3 Good Will-Hinckley, with the Board, certainly with me for
4 having led the process. I tried as hard as I could to
5 explain to the Governor the process that we had followed,
6 that we started with 19 candidates. It had been a six- to
7 seven-month process. We whittled that down. I explained
8 the last four candidates, the process that we took those
9 four candidates through, getting to two candidates that we
10 brought to the Board, the senior leadership team, the
11 parents, the students, and that everyone was unanimous in
12 their feeling that Mark should be the next president.
13 That didn't mean much to the Governor. He was still
14 pretty upset and voiced that concern to me.

15 He did share as part of that conversation that
16 he had been a big proponent of Maine Academy of Natural
17 Sciences and that if we were making this type of decision
18 that we would be losing his support.

19 I reminded him that we had invited him to come
20 and speak at graduation this summer. I talked to him
21 again what he wanted me to do that I worked for the Board.
22 The Board followed a very straightforward process. He
23 shared with me a couple of people that he thought we
24 should have considered who did not apply. The people that
25 he had suggested I knew. I knew them to be retired. I

1 told him that I thought they would be excellent
2 candidates, but they did not apply for the position.

3 The conversation ended. I asked if there was
4 anything more that he would like me to do. He said no,
5 and the conversation ended. It was a probably 15-minute
6 conversation when we were finally able on landlines to
7 connect with one another.

8 SENATOR KATZ: Do you recall anything more
9 specific that he might have said in terms of his saying
10 that, "You have lost my support"?

11 THE WITNESS: No. And I was very sensitive to
12 that, well aware of the support that he has provided to
13 the school over the years having met with him in April and
14 talking about how appreciative the school was of the
15 support that he had provided, the funding for the
16 residential component of Good Will-Hinckley, talked about
17 some of the good things that we had gone on. No mention
18 of money. It merely was, "You have lost my support" if we
19 move forward with this decision.

20 SENATOR KATZ: That same day did you receive a
21 call from Sara Vanderwood?

22 THE WITNESS: I did.

23 SENATOR KATZ: And she is who? Sara is your?
24 Relationship to --

25 THE WITNESS: Maine Street Solutions is the

1 lobbying firm that has in the past worked with Good Will-
2 Hinckley and was currently working with Good Will-
3 Hinckley. Sara called and informed me that she had been
4 called to the Governor's office, that news of Mark's
5 hiring was disclosed in a, I believe a Republican caucus
6 that morning. The Governor got word that morning. I
7 informed her that I had been called by the Governor. She
8 was aware of that, and she was called to the Governor's
9 office. And, again, she pretty much reiterated that we,
10 if we move forward, would lose the Governor's support.
11 And I believe in that conversation the funding was in
12 question at that point, and Sara relayed that to me.

13 SENATOR KATZ: Thank you. Other questions for
14 Mr. Abramson? Senator Johnson.

15 SENATOR JOHNSON: Thank you, Mr. Chair.

16 A couple of questions to follow up. So going
17 back to your conversation with the Governor by phone on
18 June 5th, you said that he described how he'd been a
19 strong supporter over time. And at one point when you
20 were going back to describing that, you mentioned the
21 funding, so I'm interested in knowing how was it he
22 communicated that he had been a strong supporter of the
23 school? Did he discuss the funding that had previously
24 been provided at his --

25 THE WITNESS: When I met with the Governor in

1 April of which Sara Vanderwood was part of that meeting,
2 Jack Moore was part of that meeting, Aaron Chadbourne was
3 part of that meeting, I made known to the Governor that I
4 was aware that the funding that was being provided through
5 the Department of Education was time-limited and that part
6 of my responsibility was to develop a plan on how we would
7 continue with providing the residential component with not
8 using the State funds. I knew that there was a promise
9 made to the Governor that that timeframe would be limited.
10 And I was reporting to him at that meeting that I had
11 begun building that plan, working with the Board and our
12 finance department and our recruiters to address how we
13 were going to do that. It was not specific, but I did
14 want him to know that we were aware that the funding was
15 time-limited, no specific date given, but that we needed
16 to begin building a plan for how we would continue to
17 provide that program without that support.

18 SENATOR JOHNSON: So how would you characterize
19 the Governor's description of his being a strong supporter
20 of Good Will-Hinckley?

21 THE WITNESS: In my office is a picture -- in my
22 former office is a picture --

23 SENATOR JOHNSON: I'm sorry, let me back this up
24 just a little. In your phone conversation on June 5th
25 with the Governor.

1 THE WITNESS: I reminded him of our
2 conversations, my willingness to work with his office in
3 building a forestry program in partnership with the
4 community college system and the loggers that he was
5 talking with. We talked about that at our April meeting.
6 I brought that up again, reminded him that we were willing
7 to do that, hold a convocation at Good Will that would
8 allow him that opportunity to have a place to meet and
9 bring people together.

10 I reminded him of the picture of the first
11 graduating class that was in our office. I presented him
12 with a copy of that picture on that April date. I
13 reminded him of the fact that we invited him to come and
14 be part of the graduation for the Class of 2015, all
15 things that we had discussed earlier, just to let him know
16 that we were well aware of the support that he had
17 provided in the past and that we continue to value that
18 support.

19 SENATOR JOHNSON: And so when the Governor said
20 by making this decision you would be losing his support,
21 what did you take that to mean?

22 THE WITNESS: First, I was really taken aback by
23 the fact that I was getting a call from the Governor on a
24 Friday afternoon or Friday morning, well aware of the
25 funding that we had, not sure whether it was specifically

1 related to the funding, his not coming to be part of
2 graduation, that he would not continue to want to be
3 affiliated with Maine Academy. Those were some of the
4 things going through my mind while we were having this
5 conversation.

6 SENATOR JOHNSON: So would it be correct to
7 characterize that as there were multiple aspects that went
8 through your mind when he said that, but you weren't sure
9 at that point what he meant by not being supported?

10 THE WITNESS: Correct.

11 SENATOR JOHNSON: My second question goes to the
12 conversation you subsequently had that day with Sara
13 Vanderwood. She called you and disclosed that there had
14 been -- the hiring had been disclosed at a Republican
15 caucus. And do you characterize part of that conversation
16 as saying that she knew the funding to be at risk?

17 THE WITNESS: Yes.

18 SENATOR JOHNSON: Can you provide more detail
19 what it was she said?

20 THE WITNESS: It was a very short conversation.
21 She relayed that she had been called to the Governor's
22 office. I believe she said Aaron Chadbourne had met with
23 her. She did not meet with the Governor. And that our
24 funding was in jeopardy.

25 I believe also in that conversation we talked a

1 little bit about how that really puts us in a very awkward
2 position, but she encouraged me to continue to move
3 forward not knowing whether it was or was not going to be
4 withheld and that the Board should not be intimidated in
5 changing its decision.

6 SENATOR JOHNSON: When did that belief that you
7 could proceed change to determination that you had to fire
8 Speaker Eves if you were going to keep your funding?

9 THE WITNESS: There were several meetings --

10 SENATOR JOHNSON: I'm sorry, do you recall when
11 that transpired?

12 THE WITNESS: The following Tuesday or
13 Wednesday, I believe the call from the Governor was on a
14 Friday. I believe the following Tuesday Robert Moody, who
15 was Vice President of Operations, James Jurdak, who was
16 Vice President of Finance, and myself had a phone
17 conversation with Jack Moore about the phone conference
18 that I had with the Governor, Sara's call to me, and we
19 talked about holding a phone conference with the Executive
20 Committee members of the Good Will-Hinckley Board to talk
21 about what was unfolding and to get their sense of whether
22 or not to continue to move forward.

23 There was a phone conference. I was not part of
24 that phone conference, James Jurdak was, discussing the
25 conversation with the Governor, the call from Sara, the

1 potential of loss of funding, and where the Board had
2 already at that point pretty much made its decision what
3 the next steps of that should be. And the result of that
4 that was communicated to me is that the officer and the
5 members of the Executive Committee of Good Will-Hinckley
6 decided to continue to move forward with negotiating the
7 contract and getting a signature from Mark on his contract
8 and moving forward with the Board's decision.

9 The next meeting was of the Board, I think it
10 was a week or two later, and a number of things had
11 happened at that point. We had an opportunity to meet
12 with Mark. Mark was aware of what was unfolding at that
13 point, came to the Board essentially with a plan of how to
14 address that loss of funding. And at that Board meeting
15 Jack presented to the full Board a copy of a letter from
16 the Alford Foundation that he had received indicating that
17 with the loss of State funding that a whole series of
18 events might be triggered as a result of that, the first
19 that we would lose \$530,000 each year for two years of
20 funding. That would put us in a different financial
21 status and some of the parameters that the Alford
22 Foundation were holding our feet to the fire for.

23 We would need to go through another financial
24 audit or scrutiny by the Alford Foundation to make sure
25 that we could sustain that blow and, if not, the

1 possibility of their not continuing to provide the rest of
2 the funding was at jeopardy, and that would potentially
3 trigger, as jack explained I think in his earlier
4 testimony, the possibility of a default on a bridge loan
5 that we had secured from Farm Credit East. So all of this
6 was laid out for the Board and for Mark at that Board
7 meeting.

8 SENATOR JOHNSON: And that was the June 18th
9 letter --

10 THE WITNESS: From the Alfond Foundation, yes.

11 SENATOR JOHNSON: From the Alfond Foundation in
12 which they cited certain assumptions, such as the
13 continued receipt of State funding for residential
14 (indiscernible)?

15 THE WITNESS: Correct.

16 SENATOR JOHNSON: So are you saying that at that
17 meeting, a week or two after June 9th, after having
18 received that Harold Alfond Foundation letter is when the
19 Board changed their mind?

20 THE WITNESS: At that meeting the Board had a
21 discussion with Mark about, a, the potential loss of State
22 funding, which he was aware of and came to that meeting
23 with a plan on how he would address that coming to the job
24 essentially on July 1st. And Mark became aware of the
25 Alfond letter at that meeting, was not aware of it prior

1 to coming in. I was not aware of the letter. The Board
2 was not aware of the letter.

3 SENATOR JOHNSON: And it's my understanding that
4 it was subsequent to that, it was a number of days later
5 that the Board actually made its decision to fire him?

6 THE WITNESS: Correct. It was after that Board
7 meeting.

8 SENATOR JOHNSON: So we haven't yet gotten to
9 how that occurred, if we could keep going with your
10 description of -- subsequent to that meeting in which
11 Speaker Eves had a plan and made some communications based
12 on that, I assume. At what point did it change from that
13 to a decision that the Board had to fire Mr. Eves?

14 THE WITNESS: All I can talk about is that
15 particular Board meeting because I was ending my tenure as
16 interim president at that point.

17 Mark and Jack left the Board meeting to talk.
18 The Board was very clear with Mark saying, "This is the
19 status of what we are now facing. Essentially, there are
20 two considerations that we would ask you to consider. One
21 is do you wish to be part of a potentially sinking ship or
22 do you want to withdraw your application as president of
23 Good Will-Hinckley?" Jack and Mark left the Board
24 meeting. The Board remained. Jack talked with Mark and
25 asked him to think about it over the weekend and to make

1 contact with him Sunday or Monday following to let him
2 know what his decision would be. That's as far as I got
3 in the process. Essentially, the 25th of June was my last
4 day at Good Will-Hinckley.

5 SENATOR JOHNSON: So I can't get to that point,
6 and I understand that. I appreciate your sharing what you
7 know. So would it be correct to characterize that what
8 made the Good Will-Hinckley Board certain that the threat
9 was a very real possibility -- obviously, these are very
10 serious discussions you just related --

11 THE WITNESS: Correct.

12 SENATOR JOHNSON: -- about, you know, whether to
13 withdraw an application in reference to a sinking ship, it
14 hinged on the information that came your way from the
15 conversation with Sara Vanderwood based on her meeting
16 with Aaron Chadbourne?

17 THE WITNESS: Correct. And Jack at the Board
18 meeting talked with the full Board and Mark about the
19 conversations that he had with Acting Commissioner Tom
20 Desjardin.

21 Part of my recollection of that conversation
22 were questions from member of the Board if we did not move
23 forward with Mark's contract, would the State funding be
24 returned? Would the Alfond audit and subsequent grant,
25 would the audit go away and would the potential grant

1 remain? And Jack relayed to the Board that in his
2 conversations with the Commissioner and the Alfond
3 Foundation that would, in fact, occur.

4 SENATOR JOHNSON: So I want to turn lastly to
5 the letter from Harold Alfond Foundation and that, for
6 you, I understand is what made this not from just a threat
7 you needed to take a seriously, but realizing what the
8 full financial implications would be about. Do you know
9 anything about how Harold Alfond Foundation became aware
10 that the State funding for the residential program was at
11 risk? Because this is so far in our timeline, this is not
12 something that has been discussed or made public in any
13 way at that point. Did you have any conversations with
14 anyone other than the information in this letter that
15 would inform you of what knowledge the Harold Alfond
16 Foundation's letter was based upon?

17 THE WITNESS: I believe Jack reported to the
18 Board that it was in conversation with Alfond that they
19 had received contact from the Governor's office. That's
20 how they became aware of the loss of State funding, the
21 potential loss of State funding.

22 SENATOR JOHNSON: Thank you.

23 SENATOR KATZ: Thank you. Any further
24 questions? Representative McClellan.

25 REP. MCCLELLAN: Thank you, Mr. Chair. I'm on

1 the Education Committee. It's always great to say that
2 the Good Will-Hinckley programs (indiscernible) --

3 THE WITNESS: Thank you.

4 REP. MCCLELLAN: -- this all kind of got going
5 and does do a great job, so (indiscernible).

6 SENATOR KATZ: Excuse me, Representative. I
7 don't think your mic is on.

8 REP. MCCLELLAN: It's not on, you're right.
9 Should I say it all again?

10 SENATOR KATZ: Yeah.

11 REP. MCCLELLAN: Thank you, Mr. Chair.

12 I'm just pointing out the Good Will-Hinckley
13 program is awesome, and I think in all this muck that
14 should be pointed out every chance we get.

15 I have a couple questions, one just struck me
16 maybe because you're here. We had testimony today and I
17 think in the documents from your financial officer saying
18 in the beginning of this process, you know, the money
19 wasn't that big a deal, and that strikes me as is that
20 just not someone having forethought or why would someone
21 make that --

22 THE WITNESS: Actually, that statement is a
23 little bit inaccurate. I think when the Ethics Committee
24 contacted Good Will-Hinckley talking about the Speaker
25 wanting to know whether or not his voting on the budget

1 would be an ethics issue or compromised, I believe in that
2 conversation that Mr. Jurdak said that if we lost that
3 \$530,000, what would go away is the residential component
4 of Good Will-Hinckley. That's what was funding the kids
5 from all across the state being able to be in that charger
6 school. Two separate programs, a Good Will-Hinckley
7 program, and if that went away, it certainly would
8 compromise somewhat our ability to recruit students from
9 far away that wanted to be part of the Maine Academy
10 program.

11 And I believe in what was relayed to me by Mr.
12 Jurdak is that that's what he pointed out to the Ethics
13 Committee. If that money were not to be provided, it
14 would have an impact on the residential component,
15 potentially down the road have an impact on our kids and
16 our ability to recruit other students. But we certainly
17 were not then or any time in the past in a position that
18 \$530,000 could easily be taken away and not have an impact
19 on what we provide.

20 REP. MCCLELLAN: And in fairness, most of your
21 kids are -- you have a lot of residential kids, I believe,
22 don't you?

23 THE WITNESS: We have a fair number of
24 residential kids and I know there were plans this year to
25 make available, at least one or two nights a month, for

1 all kids to be able to experience the family life that was
2 provided through the cottages and being able to stay on
3 the campus. That was part of what we were looking to
4 expand this coming year.

5 REP. MCCLELLAN: Thank you. I guess I have two
6 questions otherwise. The word "threat" has been bandied
7 about a lot for months. I mean, this goes back to June, I
8 think, of discussing this, so I guess I'm just trying to
9 understand the definition of "threat." Was the threat
10 that we're all taking from this a spoken, direct, you
11 know, "If you do A, we're going to do B" or was it a
12 perceived threat, "I'm disappointed in you. I've lost
13 confidence in you." And then you guys did the math and
14 figured out, "Wow, is our funding at risk?"

15 THE WITNESS: The initial conversation I had
16 with the Governor, the only conversation that I've had
17 with the Governor recently was not if A, then B. It was
18 more, "You're losing my support," and it wasn't clarified
19 as to what that support would be.

20 Jack Moore's conversation with the Board very
21 clearly said, and what I heard from Sara Vanderwood that
22 afternoon, that the loss of funding was a very real
23 possibility and most certainly would be moving forward. I
24 think those were the two pieces that if A, then B. And it
25 wasn't if A because A had already happened.

1 The Board of Maine Academy in conjunction with
2 the Board of Good Will-Hinckley had already taken its
3 vote. It was a unanimous vote of the Board. A contract
4 was being offered to Mark, so he had been essentially
5 hired at that point, so that's how the Board and I think I
6 took Jack's communications and conversations with the
7 Board.

8 REP. MCCLELLAN: Okay. And I guess, and I think
9 you probably answered, but -- so you didn't ask back what
10 loss of support means, but you found out through other
11 sources?

12 THE WITNESS: Correct.

13 REP. MCCLELLAN: Okay. All right. Last
14 question kind of multi-faceted, the unfortunate thing, I
15 think, is people's names are in the paper and, you know,
16 everybody hears human and good, but I want to ask you
17 about the process which I guess I didn't -- that you led,
18 you said.

19 When I saw the job description it was pretty
20 challenging, I thought. And I think I heard today
21 somebody -- and I know it's in the paperwork, there were
22 19 applicants --

23 THE WITNESS: Correct.

24 REP. MCCLELLAN: -- that you looked at
25 seriously. I assume it was more than that or was it 19?

1 THE WITNESS: No. There were 19 that completed
2 the process, completed the paperwork.

3 REP. MCCLELLAN: Okay. And that's a national
4 search?

5 THE WITNESS: It was a national search.

6 REP. MCCLELLAN: Okay. Somewhere in the media
7 when this was all going -- because I don't know about
8 these guys, but for me the most -- from early on, I was
9 getting it from the paper like everybody else, just
10 following it in the paper and -- I saw side by side of the
11 three resumes of President Cummings, and I assume yours
12 was the other one, and then Speaker Eves' resume. And it
13 looked like he maybe lacked qualifications given what you
14 and your predecessor offered. And I guess since you were
15 so involved in the process, if all the resumes had been
16 handed to you with no name on them, if you just saw the
17 resume, do you think you still would have interviewed
18 Speaker Eves?

19 THE WITNESS: I believe I would name not being
20 there, but the fact of State government, the efforts of
21 public service that were provided, the family counseling
22 background I think were all attributes that would have led
23 me to certainly say this person should move through the
24 process. I did not have a say in who gets selected or who
25 moves through the process. My job was to guide the

1 process.

2 I saw that, I think it was the Bangor Daily
3 where, surprised, my resume appeared in the newspaper, not
4 with my permission, but that was fine.

5 REP. MCCLELLAN: Very impressive by the way,
6 yes.

7 THE WITNESS: Thank you. What Good Will-
8 Hinckley was experiencing at this point in its history was
9 the need for somebody that could open doors in
10 foundations, that could meet with people, that could
11 bridge the gap for a pretty dark period of history in Good
12 Will-Hinckley's past. Things were coming up. The school
13 was being built, rehabbed. Good things were happening.
14 And I think the Board very clearly was looking for
15 somebody that would be that public face, and I think
16 that's what really helped the Speaker through the whole
17 process is that the Board felt at this point in its
18 history he was the right person for the job and did have
19 some of the characteristics and traits, not everything --
20 rarely do you find that person that walks through with
21 everything you're looking for, but had those particular
22 skills and traits that the Board felt would really help
23 keep that movement moving forward.

24 REP. MCCLELLAN: Thanks for being here today.

25 THE WITNESS: You're welcome.

1 SENATOR KATZ: Thank you. Senator Burns.

2 SENATOR BURNS: Good afternoon, Mr. Abramson.

3 THE WITNESS: Good afternoon.

4 SENATOR BURNS: I'm going to, I think, continue
5 a little bit on the line of questioning that you just
6 heard from Representative McClellan. Since this whole
7 thing broke, I've been kind of curious about the process
8 or more curious, I guess, about the process. And so one
9 of the questions I have for you is as you watched the
10 Board deliberate, what was the amount of time that they
11 actually deliberated on this particular candidate, Speaker
12 Eves? How long a period? Are we talking hours, days?

13 THE WITNESS: I would say -- I believe you have
14 the process that was set forth and who was involved in
15 that process. If I could just walk you through that
16 process quickly. We started with phone interviews. After
17 the Search Committee went through the 19 applications and
18 determined essentially 12 people that would be part of a
19 phone interview, the Search Committee from there decided
20 who would go moving forward to an interview with the
21 Senior Leadership Team, have an opportunity to visit the
22 campus. It was essentially a half-day full meeting.

23 The Search Committee again deliberated after
24 those four heard from the Senior Leadership Team, heard
25 from the staff at the Maine Academy of Natural Sciences,

1 heard from parents, heard from students who were all part
2 of that process.

3 From that four, two were recommended to come and
4 be fully interviewed by both boards, the Maine Academy of
5 Natural Sciences Board and the Good Will-Hinckley Board.
6 They were done simultaneously, and then they would swap
7 after approximately an hour.

8 I would say the final two candidates had easily
9 a full day's worth of interviews, campus visits, tours of
10 the campus, interviews by boards, interviews by Senior
11 Leadership Team, at least, I would say, eight hours' worth
12 of time to get to those final two.

13 SENATOR BURNS: Okay, I appreciate that. That's
14 the process. How about after the swap took place, how
15 about the actual deliberation and discussion period for
16 these last two?

17 THE WITNESS: I think each board probably spent
18 a good 45 minutes.

19 SENATOR BURNS: In discussion?

20 THE WITNESS: In discussion. And then the two
21 boards came together. There was some discussion when the
22 two boards came together as to who was the legal authority
23 to make the decision. And looking at our bylaws, it was
24 the Good Will-Hinckley Board that employs the president,
25 and that person then oversees one of the programs which is

1 Maine Academy of Natural Sciences. But Chairman Moore
2 worked very hard to make sure that everybody had an
3 opportunity when the two boards came together to do their
4 final deliberation. Everybody had an opportunity to offer
5 their perspective of the interviews of the final two
6 candidates.

7 SENATOR BURNS: Okay. My understanding from Mr.
8 Moore as he presented to this committee was that the Board
9 was focused to a great degree on an outward-facing
10 candidate.

11 THE WITNESS: Correct.

12 SENATOR BURNS: And I think I heard you
13 reiterate the same thing just a moment ago. Even though
14 you, I believe, Speaker Cummings, you already had -- his
15 predecessor would have been an outward-facing. I guess I
16 would ask you what would the priority of the Board have
17 been or the percentage of priority on that versus
18 credentials? What weight did they give each of those in
19 that 45-minute discussion?

20 THE WITNESS: I would say a great deal of time
21 and effort was spent on who among the final two candidates
22 could best represent both organizations, the Maine Academy
23 as well as Good Will-Hinckley, who had the most
24 experience. One was a Maine person. Another person was
25 from away.

1 The Board was also deliberating on how much time
2 would be spent in the honeymoon period catching up on
3 everything that was going on anticipating that the second
4 candidate would take a lot more time to hit the ground
5 running than Speaker Eves would. Those were part of the
6 conversations that were part of the Board's deliberations.

7 SENATOR BURNS: I'm going to try to rephrase the
8 question a little bit then.

9 THE WITNESS: Okay.

10 SENATOR BURNS: Those two particular aspects of
11 the qualification -- the credentialing experience with
12 education, those types of things, versus the ability to
13 raise funds or interface with the administration, the
14 legislature, other people. Which one of those weighed the
15 most in the minds of the Board?

16 THE WITNESS: The outward face of Good Will-
17 Hinckley fundraising, without a doubt, part of that, if I
18 could, is that the Board had great confidence in the
19 Senior Leadership Team that we didn't need an educational
20 leader. We had a very strong principal running the Maine
21 Academy of Natural Sciences, very strong director of the
22 Glenn Stratton Learning Center, very strong person running
23 the college Step-up Program. And if it's not broke, it
24 doesn't need to be fixed.

25 What we do need to do is to resubmit our image

1 in the communication, across the state. We need to raise
2 additional funds. We had a capital project that was
3 underway that needed additional funding and support, and
4 that was the most important characteristic that both
5 boards thought of at that point.

6 SENATOR BURNS: Thank you for that answer. One
7 other question. When Speaker Eves indicated to the Board
8 that he had a good working relationship with the
9 administration, was there any questioning of that? How
10 did that go? Was that --

11 THE WITNESS: I know that it was a concern. A
12 number of the things that have been discussed today, the
13 fact that he was living in southern Maine, the program is
14 based in central Maine, the important of being on campus
15 and being visible, how much time was the legislature going
16 to take from their ability, those were some of the
17 questions that he was asked.

18 He was asked about his relationship with the
19 Governor and I remember him saying very clearly, "It is a
20 respectful relationship." He's a Democrat. The Governor
21 is a Republican. They do not always see eye to eye, but
22 what he did share with the Board is that he would hope
23 that the Governor would say, "Don't agree with you, but I
24 respect the position that you hold."

25 That was talked about quite a bit because,

1 again, just the points that I've made earlier, you know,
2 Mark needed to finish the second term as Speaker, but he
3 felt that he could balance that. He was successful in
4 making sure that the Board understood that and how he
5 would address that, and the Board was comfortable with
6 that prior to making the decision to hire him, but those
7 were discussed.

8 SENATOR BURNS: Thank you, sir.

9 THE WITNESS: You're welcome.

10 SENATOR KATZ: Thank you, Senator.
11 Representative Campbell.

12 REP. CAMPBELL: Thank you. Thank you for being
13 here.

14 THE WITNESS: You're welcome.

15 REP. CAMPBELL: I spent a little time with Glen
16 at Hinckley and I just really have a lot of respect for
17 what you've done, what you've done with the KVCC campus
18 combining sustainable future for our citizens.

19 I guess in terms of the process, it was
20 mentioned here, and Mr. Moore mentioned, that it's really
21 non-partisan, non-political, and you mentioned earlier
22 that you really didn't know that the Speaker didn't
23 support charter schools. And in terms of Mr. Moore's
24 description of how the job description evolved, it evolved
25 with the applicants to come to, and I guess I asked him

1 did the Board have a little dialogue. You mentioned
2 probably more than Mr. Moore said concerning the Speaker's
3 concern about time management and so on, but it just
4 appears to me that the fact that he didn't really support
5 charter schools and the fact that the evolution of the job
6 description came to a point where Mr. Moore said, "This
7 particular applicant speaks well. He's a politician,
8 speaks well, and he raises funds," so fundraising was a
9 big point.

10 Did it ever occur to the Board that his ability
11 to fundraise was basically from charter school opposition,
12 unions and the like instead of, in general, was there any
13 dialogue about -- you talked about foundations and such,
14 but sometimes, and with term limits, Speakers don't have
15 the length of time to raise money beyond their term ever
16 occur to the boards?

17 THE WITNESS: The Board in its discussion,
18 particularly with Mark, talked about asking him
19 specifically to talk about what fundraising experience he
20 had. And the fundraising experience he related was most
21 recently his candidacy as a representative and Speaker.
22 He talked about that, but he also talked about some of the
23 nonprofit organizations that he had worked with and some
24 of the fundraising he had done on their behalf as well.
25 And that resonated, I believe, with the Board at that

1 point.

2 SENATOR KATZ: Thank you. Representative
3 Mastraccio.

4 REP. MASTRACCIO: Thank you, Mr. Chair. Thanks,
5 Mr. Abramson, for coming today.

6 To follow up on that, though, did you really, I
7 mean, it was a unanimous vote by the Board to hire the
8 Speaker, and let me just ask you this, I asked Mr. Moore,
9 absent the interference and the suggestion that funding
10 would be not forthcoming, would the Speaker of the House,
11 the current Speaker of the House, currently be the
12 president of Good Will-Hinckley, in your opinion?

13 THE WITNESS: Without a doubt. And if I could
14 qualify that.

15 REP. MASTRACCIO: Yes, please do.

16 THE WITNESS: Once Mark had signed the contract
17 and was clearly the person moving forward with that
18 presidency, it was a great pleasure of mine to be able to
19 try to work with him and start to bring him up to speed as
20 we were approaching that July 1st date. He wanted very
21 much to be well aware of what conversations were underway,
22 what were the things, what where the challenges he was
23 going to face. We talked about some of the fundraising
24 challenges that Good Will-Hinckley had. We talked about
25 some suggestion that he had thought about from the time he

1 was interviewed to the time he decided to our meeting.

2 He and I had several phone conversations. He
3 would come out of legislative session, it might be 7
4 o'clock at night or later that we'd have these, but was
5 truly excited and thrilled with being able to move into
6 this position.

7 So that's a long answer to a personal belief on
8 my part and I think the Board's part that he would, absent
9 interference, be the president of Good Will-Hinckley right
10 now.

11 REP. MASTRACCIO: May I just follow up?

12 SENATOR KATZ: Yes, Representative.

13 REP. MASTRACCIO: And in your opinion, would
14 have done an exemplary job in that position? I'm just --
15 and can I ask one other question that has to do with a
16 phone conversation on June 4th because you started on June
17 5th with your explanation, and on June 4th you had a
18 conversation with the acting deputy commissioner of
19 Education. Can you just tell us about that?

20 THE WITNESS: Yes. I received a phone call from
21 my office saying that Commissioner Desjardin was trying to
22 get in touch with me and wanted to talk. And I called the
23 cell phone that was given to me and I connected with Tom,
24 and he told me that he was going into a meeting with the
25 Governor the next morning and wanted to follow up on the

1 conversation that the Governor and I had about a forestry
2 initiative that the Governor was very interested in and
3 thinking that Good Will-Hinckley would have a very good
4 chance of helping him with this initiative. And I told
5 him what had transpired since the meeting with the
6 Governor and where we were, essentially that the ball was
7 still in the Governor's court because no specific date or
8 invited audience had been identified.

9 But I reminded the Commissioner at that point, I
10 said, "You realize that you'll be dealing with somebody
11 taking my place, that my time is limited at Good Will-
12 Hinckley." I told him that I came off the Board at Good
13 Will and became the interim president just to fill a gap,
14 that we had hired somebody, we'd be moving forward and
15 that he would be working with somebody new.

16 The conversation from there said, "Well, we'll
17 probably have to wait until the legislature adjourns," to
18 me indicating that he had a pretty good idea of who. I
19 figured maybe I had done something wrong and violated the
20 confidentiality that was entrusted upon me by sharing
21 information that got to him, but it was pretty clear that
22 he knew who Good Will-Hinckley was going to be moving
23 forward. And I think this final comment as well, "I guess
24 we'll have to wait and see what happens," and that was the
25 end of the conversation.

1 The next day I received a call from the
2 Governor, so I'm assuming that Mr. Desjardin and the
3 Governor did have a conversation at that point which
4 resulted in the call.

5 SENATOR KATZ: Thank you, Representative.
6 Senator Diamond.

7 SENATOR DIAMOND: Thank you, Mr. Chairman.
8 Good afternoon, Mr. Abramson. Thank you for
9 being here.

10 THE WITNESS: You're very welcome.

11 SENATOR DIAMOND: I'm trying to get a little
12 more specific handle on what you came away with after you
13 had that telephone conversation with the Governor. You
14 said he was upset and he didn't mention anything about
15 funding, but he was upset. What kind of upset? Did he
16 simply say, "I'm upset" or was the tone much more
17 aggressive than that? Can you give us a feel so I can
18 understand how you were feeling when you finished the
19 conversation?

20 THE WITNESS: There were a few profanity words
21 that were used in describing the Speaker and the Speaker's
22 work that I'm not going to share with you today, but he
23 wasn't yelling and screaming at me. He let me certainly
24 try to explain what process we had gone through, but it
25 was very clear in his tone that he wanted to make a point,

1 that he was very upset and not happy with my decision, the
2 Board's decision, Good Will-Hinckley's decision to move
3 forward with the Speaker. And he talked about the lack of
4 credentials, the lack of support, if I looked at his
5 voting record, those types of things. And then saying,
6 "Why didn't you consider this person or that person?"
7 so --

8 SENATOR DIAMOND: So the profanity and other
9 sorts of words you don't want to share today, they were
10 directed at the Speaker?

11 THE WITNESS: Talking about the Speaker's --
12 yes.

13 SENATOR DIAMOND: Okay. The other question I
14 have is we heard today, and we've seen it in the report,
15 that Mr. Moore had told Mr. Desjardin that he was not
16 pleased with the selection of the Speaker as the
17 president, but he had, obviously, voted because it was a
18 unanimous vote. Did Mr. Moore ever relate his displeasure
19 to the Board even notwithstanding the fact he voted for
20 it? Did you have an idea that Mr. Moore was upset and not
21 pleased with that section?

22 THE WITNESS: I had several conversations with
23 Jack Moore through the search process, and some of the
24 questions about time commitment, relationship with the
25 Governor, how do you run an organization such as Good

1 Will-Hinckley being Speaker of the House and living in
2 southern Maine. Some of those conversations took place
3 prior to the final two candidates moving forward to the
4 Board.

5 The Board chair and I had a conversation, and
6 Jack wanted to privately reach out to Mark to meet with
7 him to get comfort in answers to those questions. He
8 didn't feel that Mark answered those questions to his
9 satisfaction through the interview process.

10 I reminded the Chair that we had to be
11 consistent. We could not really deviate from the process,
12 so if he was going to meet with Mark, he also needed to
13 have that same conversation, ask the same questions of the
14 second candidate.

15 And a meeting did take place. I insisted if he
16 wouldn't have me be present, that the vice president
17 needed to be present so there was a witness that could
18 attest to what took place at that meeting.

19 Those two informal meetings with Jack, Rob
20 Moody, the Vice President, and the two final candidates
21 did take place before the Board had its final vote, and
22 Jack related to the Board that as a result of those two
23 meetings he was comfortable with moving Mark's nomination
24 forward.

25 SENATOR DIAMOND: Thank you.

1 THE WITNESS: You're welcome.

2 SENATOR KATZ: Further questions? Yes,
3 Representative Duchesne.

4 REP. DUCHESNE: Yes, thank you, Senator.

5 In the world of fundraising and especially for
6 schools, nonprofits, it's not unusual to have somebody
7 express their disappointment by withdrawing their support
8 if a decision's been made that they didn't like. It's not
9 common, but it's not unprecedented. Have you ever seen a
10 case where someone contacts other supporting foundations,
11 donors, supporters, to try to show their support?

12 THE WITNESS: No. I have experienced what you
13 described where you might have -- I know that as a result
14 of this whole situation we had a number of alums express
15 their displeasure and told us that they were withdrawing
16 their support, whether it's a gift or a donation.

17 REP. DUCHESNE: But it would be uncommon for
18 them to contact other supporters and try to
19 (indiscernible) as well?

20 THE WITNESS: Not that I'm aware of.

21 REP. DUCHESNE: Okay. When you voted to go
22 ahead anyway knowing that this controversy was swirling
23 around a little bit, did the Alford Foundation letter come
24 as a surprise to you?

25 THE WITNESS: It did.

1 REP. DUCHESNE: Yeah. Thanks.

2 SENATOR KATZ: Other questions? Representative
3 Mastraccio.

4 REP. MASTRACCIO: Thank you, Mr. Chair.

5 Just one thing I thought of. Did I hear you
6 correctly that the Governor's office, it's your
7 understanding that the Governor's office was the one that
8 informed the Harold Alfond Foundation?

9 THE WITNESS: That's what I was told.

10 REP. MASTRACCIO: And that was from -- who told
11 you that again? You don't --

12 THE WITNESS: I think Jack Moore.

13 REP. MASTRACCIO: Okay.

14 THE WITNESS: In his conversation with the
15 Alfond Foundation.

16 REP. MASTRACCIO: No direct knowledge of who in
17 the Governor's office?

18 THE WITNESS: (No audible response)

19 SENATOR KATZ: Other questions? Mr. Abramson, I
20 know you are still in touch with the school. I assume you
21 are still in touch with your former colleagues at the
22 school and we didn't ask them this question, but where do
23 they stand with the selection process now for a new
24 president; do you know?

25 THE WITNESS: They have gone through a new

1 search, and they have put that search on hold for the
2 moment because there is dialogue going on with two very
3 strong nonprofit organizations to see if there's some
4 synergy. And I think they want to let that process work
5 through before moving forward with the selection. My
6 understanding is that they were down to two or three
7 candidates.

8 SENATOR KATZ: Thank you. Any other questions?
9 Seeing none, thank you very much. And as I've asked
10 everyone, did you produce all documents that we asked in
11 response to --

12 THE WITNESS: I did.

13 SENATOR KATZ: I'm sure you did. Thank you very
14 much for being here. Thank you, Counselor.

15 UNIDENTIFIED SPEAKER: Thank you.

16 SENATOR KATZ: Our next requested person is Mr.
17 Brown, Bill Brown.

18 UNIDENTIFIED SPEAKER: I'm not sure Bill is here
19 yet. We're going to get (indiscernible).

20 SENATOR KATZ: I apologize. I don't have the
21 right order. Sara Vanderwood, excuse me. Good afternoon.

22 MS. VANDERWOOD: Good afternoon, Senator.

23 SENATOR KATZ: Could you raise your right hand.
24 Do you affirm that the testimony you're about to give is
25 the truth, the whole truth, and nothing but the truth?

1 MS. VANDERWOOD: I do.

2 ADMINISTRATIVE LAW JUDGE: Thank you.

3 Whereupon,

4 SARA VANDERWOOD,

5 after having been duly sworn, was examined and testified
6 as follows:

7 SENATOR KATZ: Good afternoon. Could you tell
8 us who you are and what you do and make any opening you'd
9 like to --

10 THE WITNESS: Sure.

11 SENATOR KATZ: -- before we have some questions.
12 Thank you.

13 THE WITNESS: Senator Katz, Representative
14 Kruger, Members of the Committee, my name is Sara
15 Vanderwood. I'm a resident of Oxford, and I work as a
16 government affairs consultant for Maine Street Solutions,
17 Verrill Dana, and I was the lobbyist for Good Will-
18 Hinckley at the time that this issue came about.

19 SENATOR KATZ: Anything else you'd like to say
20 by way of opening?

21 THE WITNESS: No.

22 SENATOR KATZ: Questions for Ms. Vanderwood.
23 Senator Johnson.

24 SENATOR JOHNSON: Thank you, Mr. Chair.

25 Ms. Vanderwood, I think you may have been

1 present in the room for the last interview in which it was
2 stated that the first awareness that lack of support
3 really did represent -- put some funding in jeopardy was
4 heard from you. Can you tell us more about -- and
5 suggested that that was based on your meeting with Aaron
6 Chadbourne.

7 THE WITNESS: Sure.

8 SENATOR JOHNSON: Can you tell us about that?

9 THE WITNESS: On the morning of June 5th, I
10 actually got a call on my way into the office from Aaron
11 and I was asked to come into his office as soon as I got
12 to the State House, and I was running a little late that
13 day, so as soon as I was in the State House I did reach
14 out to him. And I went into the office and he asked me if
15 Speaker Eves had been hired by Good Will-Hinckley as the
16 president. I had no knowledge of it. It wasn't something
17 that Good Will-Hinckley had kept me apprised of, but I
18 told him that I would certainly find out if that were the
19 case and went about trying to find that out.

20 I did talk -- I had called Rich Abramson, got
21 voicemail, was able to talk to him later on, and did
22 confirm that that was the case. I had also talked to my
23 colleague who works at the firm and was a member of the
24 Good Will-Hinckley Board.

25 In the conversation that I had with Aaron, he

1 said that the Governor was very upset if it was Speaker
2 Eves that had been selected, that the Speaker wasn't
3 qualified to hold the position either educationally or
4 from a perspective that he had been a vocal opponent of
5 charter schools. And I believe it was also stated that
6 the Governor knew the at-risk population very well for
7 students, that he and his brothers had come from that
8 background and that Speaker Eves would be incapable of
9 handing a group of at-risk students, and that the Governor
10 had been very supportive of Good Will-Hinckley in the past
11 and that he did not think that that support would continue
12 if Good Will-Hinckley hired Speaker Eves as their
13 president.

14 SENATOR JOHNSON: And so can you describe how or
15 at what point it became apparent to you, sufficiently,
16 that you conveyed that to other people that what was meant
17 by that was funding was in jeopardy?

18 THE WITNESS: I mean, yes, there have been
19 statements made that the Governor had been supportive of
20 Good Will-Hinckley in other ways, you know, that he had
21 been to the school. He had been to commencement. I mean,
22 it is very clear that the Governor -- that this population
23 of students was very important to the Governor, but to me
24 the issue of support was directly related to funding. And
25 it seemed very clear to me without funding being

1 specifically mentioned that that's what support meant, and
2 I did relay that to Rich Abramson.

3 SENATOR JOHNSON: And has any other
4 conversations or communications that you've had from the
5 Governor's office or staff or people supported that
6 conclusion or given you any reason to hesitate in that
7 assessment being correct?

8 THE WITNESS: No. Funding has never been
9 specifically mentioned. It was always couched as support,
10 but no, there was nothing that was ever said or done that
11 makes me question my assessment.

12 SENATOR JOHNSON: Thank you.

13 SENATOR KATZ: Thank you. Representative
14 Campbell.

15 REP. CAMPBELL: Thank you. Just to follow up on
16 that. So how did it come to your mind that it was
17 funding? Have you been here through the morning?

18 THE WITNESS: I have.

19 REP. CAMPBELL: It didn't appear to be that
20 specific to them, but how did it become so specific to
21 you?

22 THE WITNESS: I mean, it's an issue that I've
23 been working on for Good Will-Hinckley since 2012. That
24 was originally why I was brought on to lobby for Good
25 Will-Hinckley was because there was cuts proposed in the

1 2013-2014 biannual budget, if I'm remembering my dates
2 correctly, that the residential money was going to -- that
3 there was consideration of that money being cut in that
4 budget.

5 I was brought in as a Republican to try to keep
6 that money in the budget. I did meet with the Governor
7 and several Republican members, both from the Senate and
8 the House, in December of 2012. So my sole purpose for
9 Good Will-Hinckley was to make sure that that money stayed
10 in the budget. And I had had conversations with Aaron
11 Chadbourne leading up to it, and I think he understood
12 that that's what my role was. I mean, Good Will-Hinckley
13 doesn't lobby a lot of other issues. It's a funding issue
14 that we typically lobby for.

15 REP. CAMPBELL: So you were basically the
16 liaison between the legislature and the school?

17 THE WITNESS: Yes.

18 REP. CAMPBELL: But we heard very specifically
19 that funding wasn't mentioned and from Mr. Desjardin that
20 there were other elements, so how did you so quickly get
21 to funding?

22 THE WITNESS: That was the impression that I was
23 given was that it was about the funding.

24 SENATOR KATZ: You all set? Representative
25 Mastraccio and then Representative Duchesne. I'm sorry, I

1 saw her hand first.

2 REP. MASTRACCIO: Thank you. Is there any doubt
3 at all in your mind that the funding was threatened
4 because Good Will-Hinckley hired the Speaker and then the
5 funding was restored because then he was fired?

6 THE WITNESS: No.

7 REP. MASTRACCIO: Thank you.

8 SENATOR KATZ: Representative Duchesne.

9 REP. DUCHESNE: Thank you, Senator.

10 Both Mr. Chadbourne and Desjardin said they
11 didn't really mention money, but they spoke to you or at
12 least both of them did, right?

13 THE WITNESS: Uh-huh.

14 REP. DUCHESNE: You are essentially the lobbyist
15 dealing with the money?

16 THE WITNESS: Correct.

17 REP. DUCHESNE: Would there be any other reason
18 to talk to you if not related to money?

19 THE WITNESS: We had discussed other issues.
20 Rich Abramson had talked about the forestry issue.
21 Certainly, that was something I was communicating with the
22 Governor's office about. There's information that I
23 provided in emails to suggest that I had been dealing with
24 them on the forestry issue, but my main purpose with Good
25 Will-Hinckley was funding.

1 REP. DUCHESNE: And your assessment based on
2 those conversations was that the funding was threatened
3 and it turns out your assessment was correct?

4 THE WITNESS: I believe so, yes.

5 REP. DUCHESNE: Thanks.

6 SENATOR KATZ: Other questions? Yes, Senator
7 Johnson.

8 SENATOR JOHNSON: Thank you, Mr. Chair. I'd
9 like to follow up on that for a moment.

10 So the only two issues that you were dealing
11 with on Good Will-Hinckley's behalf were funding-related
12 back several years and, more recently, because it's
13 something the Governor wanted to achieve was the lumber
14 industry training?

15 THE WITNESS: Correct. I mean, there's been
16 other, you know, scheduled requests to meet with him on
17 other issues and commencement invitations and stuff, but
18 from a legislative perspective it was the funding issue
19 and then more recently the forestry issue which actually
20 isn't even a legislative issue at this point.

21 SENATOR JOHNSON: And so other than the social
22 niceties, events, trivialities from a policy perspective,
23 these were the two things?

24 THE WITNESS: Yes.

25 SENATOR JOHNSON: And would Good Will-Hinckley

1 have considered it a threat of any kind should the
2 Governor decide not to pursue the lumber industry training
3 that he wanted with Good Will-Hinckley? Would that
4 endanger Good Will-Hinckley in some way?

5 THE WITNESS: I suppose it could have, but
6 that's not how I took it.

7 SENATOR JOHNSON: It was clear to you that of
8 the things that you deal with, the reasons they might have
9 reached out to you, funding was the only one that would
10 significantly impact Good Will-Hinckley? If they wanted
11 to have some influence over what Good Will-Hinckley did,
12 express their discontent with hiring, that that's what
13 they had to have been trying to get to?

14 THE WITNESS: Yes.

15 SENATOR JOHNSON: Thank you.

16 SENATOR KATZ: Thank you. Representative
17 Mastraccio.

18 REP. MASTRACCIO: Thank you, Mr. Chair.

19 I have just two questions. Can you kind of
20 characterize or give us -- tell us the kind of
21 conversations you had with the Acting Commissioner
22 Desjardin, or communications? And did you have any doubt
23 that they -- did you think that he and Mr. Chadbourne were
24 kind of operating on their own thing or were they
25 receiving direction from somewhere else?

1 THE WITNESS: So I actually don't believe that I
2 had correspondence really with Commissioner Desjardin
3 until later in the process, certainly not initially. And
4 the conversations that we had I think he characterized
5 this morning, you know, when he talked about him needing
6 to find some money within the budget to cut that Good
7 Will-Hinckley would be a place that they could look.

8 I hadn't had any conversations with him prior to
9 June 5th about Good Will-Hinckley money perhaps being in
10 jeopardy. I did have a conversation with Representative
11 Jorgensen who sits on the Appropriations Committee who is
12 also a member of the Good Will-Hinckley Board that that
13 money is something that had been talked about, at least,
14 you know, whether or not that money should be there. I
15 don't know if that was within his own caucus or in front
16 of the entire AFA Committee, but I had no conversations
17 with Commissioner Desjardin prior to, I'd say close to the
18 time the budget was actually finalized, which I think was
19 voted on June 17th maybe. And I did send him an email
20 which I also provided on June 24th just asking him if he
21 had seen that the contract had been rescinded and I did
22 not receive a response on that.

23 We've had subsequent meetings where he told me,
24 you know, after the funding was -- after the payment was
25 sent that a memorandum of understanding or whatever one

1 would call it with Good Will-Hinckley about the sort of
2 strings that are attached to that money and how it could
3 be used. I haven't seen that document. I don't know what
4 it entails, but those conversations were after payments
5 had been sent.

6 REP. MASTRACCIO: Did you think that Mr.
7 Chadbourne was operating on his own, I mean, just out of
8 his own thoughts?

9 THE WITNESS: Yeah. I didn't get the sense that
10 -- he had, you know, told me, "Oh, I had conversations
11 with the Governor," but I didn't get the sense that there
12 was any, you know, that he and Commissioner Desjardin had
13 been corresponding or anything.

14 SENATOR KATZ: All set? Further questions?
15 Yes, Representative Duchesne and then Senator Diamond.

16 REP. DUCHESNE: Yes, thank you.

17 You got to sit through the whole morning so you
18 get to hear it all. Both Mr. Desjardin and Chadbourne
19 maintained they didn't actually make any threats when it
20 came to money and that, on the other hand, you seem to
21 have perceived one. Is there anything in their remarks
22 that differed from your recollection of the conversations?

23 THE WITNESS: You know, like I've said, there
24 was no direct the funding is in jeopardy. It was the
25 sense that I got based on my, you know -- and I think

1 Aaron was correct in that he was fairly new to this. He
2 had only been there since February where I have sort of
3 the historical background of the last four years of
4 working on this issue, but I stand by the fact that I
5 believe that the characterization I have given is correct
6 and that the funding was in jeopardy.

7 SENATOR KATZ: Further questions? Oh, I'm
8 sorry, Senator Diamond.

9 SENATOR DIAMOND: Thank you. Thank you, Mr.
10 Chairman.

11 Good afternoon, Ms. Vanderwood. Representative
12 Duchesne just took my first question, so I have one left.
13 Did you ever meet with the Governor or get any
14 correspondence from the Governor or be part of a meeting
15 that you were at and the Governor attended that this issue
16 came up and he, the Governor, made any comments about the
17 school or the threat or anything of that sort?

18 THE WITNESS: No.

19 SENATOR DIAMOND: No. Okay, thanks.

20 SENATOR KATZ: Thank you. I've just got -- yes,
21 Representative McClellan, go ahead.

22 REP. MCCLELLAN: I'll use the microphone this
23 time. Thank you, Mr. Chair.

24 How are you?

25 THE WITNESS: I'm well, thank you.

1 REP. MCCLELLAN: Good. And you're still working
2 with them, the school?

3 THE WITNESS: I'm not under contract currently,
4 but --

5 REP. MCCLELLAN: Okay. Just a real simple
6 question, I guess. Maybe it will be hard, I don't know.
7 A little while ago the word "interference" got bandied
8 about for a few minutes and, you know, part of my struggle
9 with this whole situation is to try to compare it to
10 everything else. So I guess my question to you is do you
11 perceive this was interference? Was this politics? Is
12 this like a unique event that's never happened in Maine
13 before or -- I guess that's the dichotomy of politics,
14 unique, never happened in the history of Maine before?
15 Can you comment on that?

16 THE WITNESS: I can't. I don't know, but I
17 haven't been as closely involved with some of the things
18 that may have happened in the past.

19 I do believe that the Governor felt that, you
20 know, taxpayer money was being used to support an
21 organization that was hiring someone that he did not feel
22 had supported charter schools yet was going to be leading
23 a charter school. And I guess my personal feelings on it
24 are the Speaker was being hired because of his, I don't
25 want to say political face, but essentially that's what it

1 was, for who he is and what he was able to bring to the
2 table, so I don't know that the Governor making it
3 political is any different than the school making it
4 political in their hiring of the Speaker for who he was
5 and what he could bring to the table.

6 SENATOR KATZ: Thank you. I've just got a
7 couple of other questions, if I could. I want to direct
8 your attention to the weekend of June 6 and 7; do you
9 remember that?

10 THE WITNESS: Uh-huh.

11 SENATOR KATZ: And I understand there were
12 conversations you may have been involved in that weekend
13 with Mr. Abramson and/or Mr. Moore. Could you just tell
14 us what you recall about those?

15 THE WITNESS: Sure. I had had some
16 conversations with Aaron Chadbourne over the weekend about
17 whether or not the Governor would change his mind, and
18 what I heard from Aaron was that the Governor realized
19 that people make mistakes and that people can change, or
20 people can change their mind particularly if the mistake
21 is rectified, and I did relay that to Rich Abramson. I
22 believe it was on Saturday, the 6th, maybe Sunday, the
23 7th. I don't believe that I spoke with Jack Moore until
24 the first of that next weekend sometime around the 8th or
25 the 9th and maybe even later.

1 SENATOR KATZ: Making a mistake referring to
2 what, in your mind?

3 THE WITNESS: Good Will-Hinckley making a
4 mistake in their --

5 SENATOR KATZ: Hiring?

6 THE WITNESS: -- in their hiring.

7 SENATOR KATZ: Okay. And lastly, your
8 impressions that you've given us here today, they're a
9 little bit in a vacuum at this point. Can you just tell
10 us a little bit more about your experience and background
11 in public policy matters?

12 THE WITNESS: Sure. I have worked for Maine
13 Street Solutions, Verrill Dana since December of 2011.
14 Prior to that I served in the Senate Republican office
15 from the beginning of the 125th legislature through
16 December of 2011. I started as the administrative
17 assistant in the office, worked into legislative aide, and
18 left the office as chief of staff for the majority office.

19 I have, you know, seen power-sharing
20 arrangements and majorities move from one side of the
21 aisle to the other, so I've kind of been here at a time
22 where I've seen a lot of turnover and the different ways
23 the legislature and the executive interact.

24 SENATOR KATZ: Thank you. Seeing no other
25 questions, did you bring all the documents or produce all

1 the documents you were requested to?

2 THE WITNESS: I did.

3 SENATOR KATZ: Thank you very much. Thank you
4 for being here.

5 THE WITNESS: You're welcome.

6 SENATOR KATZ: Next, Jay Nutting. Good
7 afternoon.

8 MR. NUTTING: Good afternoon.

9 SENATOR KATZ: Could you please raise your right
10 hand. Do you swear or affirm the testimony you're about
11 to give is the truth, the whole truth, and nothing but the
12 truth?

13 MR. NUTTING: I do.

14 Whereupon,

15 JAY NUTTING,

16 after having been duly sworn, was examined and testified
17 as follows:

18 SENATOR KATZ: Mr. Nutting, could you tell us
19 who you are and what you do and tell us anything you'd
20 like to before any questions get asked.

21 THE WITNESS: Sure. My name is Jay Nutting.
22 I'm employed by Maine Street Solutions, Verrill Dana. I'm
23 a resident of Vassalboro. I've been employed there for
24 about 13 years now and generally serve as a government
25 affairs consultant.

1 I also during this period of time served on the
2 Good Will-Hinckley Board, which is an interesting
3 situation; however, given that my firm does the lobbying
4 work and I serve on the Board, I recuse myself from the
5 Board during the session. And because I serve on the
6 Board, I actually don't participate in any of the lobbying
7 that is done. I kind of step back from everything.

8 SENATOR KATZ: So essentially, you had nothing
9 to do with Good Will-Hinckley School during the period of
10 the session; is that essentially --

11 THE WITNESS: That's essentially it. I, for all
12 intents and purposes, shut off my phone to Good Will-
13 Hinckley matters. It's next to impossible to make it to
14 board meetings. And, you know, I'm able to hear about
15 what's going on through the grapevine and if I happen to
16 open up some emails, but I do not participate in any of
17 the meetings as closely as I would during, you know,
18 during the summer when things are slower.

19 SENATOR KATZ: So in 2015 you took a leave of
20 absence from the Board beginning in January?

21 THE WITNESS: Yeah, essentially, you know,
22 December, January when sessions start picking up either
23 because pm not able to make it to the board meeting, and
24 then when session starts I don't participate at all.

25 SENATOR KATZ: Okay. And you're back on the

1 Board now?

2 THE WITNESS: I am not, actually. I finished up
3 earlier this summer, mid-summer.

4 SENATOR KATZ: Okay.

5 THE WITNESS: And that was just mainly because
6 of my schedule. It didn't make sense for me to be on when
7 I couldn't make it there a lot, and it was better for them
8 to have someone who could be there and participate. And I
9 was brought on in the very beginning because they needed -
10 - there was a desire to have someone with some bit of
11 agriculture background it being an agriculture school,
12 so --

13 SENATOR KATZ: Okay.

14 THE WITNESS: -- I think they've managed to fill
15 those gaps now through the MeANS Board, which didn't exist
16 when I came on.

17 SENATOR KATZ: Right. Now that on June 5th you
18 got a call from Ms. Vanderwood asking you if you knew that
19 Mark Eves had been hired or not, and I'll get to that in a
20 second. Did you have any knowledge of the selection
21 process and what was happening, who the candidates were
22 before that?

23 THE WITNESS: I did not.

24 SENATOR KATZ: Okay. When she called you to ask
25 you if the Speaker had been hired, did you know the answer

1 to that question?

2 THE WITNESS: I actually did not at that time.
3 I, embarrassingly enough, had sat outside on a couch next
4 to the clerk's office and sorted through previous months'
5 emails to find one that I had not opened that had the last
6 two candidates' resumes included. And when I did open it
7 and saw the Speaker's name, I realized that what was kind
8 of being discussed on the third floor at that point was
9 likely accurate.

10 SENATOR KATZ: Okay. And what did you do with
11 that information?

12 THE WITNESS: To the extent I could, not knowing
13 a hundred percent, I did confirm with Ms. Vanderwood that
14 that was likely the case because he was on the finalists,
15 so the information that was being discussed that morning
16 was likely accurate.

17 SENATOR KATZ: And following that, your
18 conversation with her, what other involvement have you had
19 with this matter?

20 THE WITNESS: Not a whole lot, really, just, you
21 know, reading, watching from the outside. I did later on
22 that morning, I did find the Speaker's chief of staff just
23 to check in to see if they were knowledgeable. I figured
24 they were given how quickly news spread in the small
25 microcosm, that is, the third floor, but I don't believe

1 she was aware when I told her that there were -- that the
2 Governor had conveyed to various folks that he was
3 displeased with the hiring.

4 SENATOR KATZ: Anything else following that?

5 THE WITNESS: Not that I can recall.

6 SENATOR KATZ: Okay. Have you produced any
7 documents that were appropriate in response to the
8 request?

9 THE WITNESS: I do not after searching, I just
10 -- I don't have -- to your previous question, I did talk
11 to Jack Moore a couple short phone conversations those few
12 days afterward, just what I would consider kind of picking
13 my brain conversations that I think he was having with a
14 lot of people about what do we do, what's happened, what
15 are our options, and things like that, but that's kind of
16 the extent after the situation.

17 SENATOR KATZ: Thank you. Other questions for
18 Mr. Netting? Senator Diamond.

19 SENATOR DIAMOND: Thank you, Mr. Chair. Just
20 quickly.

21 How does one get on the board of Good Will-
22 Hinckley?

23 THE WITNESS: In my situation, it led back to
24 when Glen Cummings started there, and if, of course,
25 worked with Glen here at the State House and he and some

1 folks said had known of my upbringing and background in
2 agriculture, being brought up on a dairy farm and still
3 involved in 4-H and things like that. And I think as they
4 were putting together the board, they realized that they
5 would like someone with some of that knowledge on there
6 because the Board, to that extent, had -- didn't really
7 have anyone on there with agriculture experience. So at
8 that point, Glen had reached out and asked if I was
9 interested in serving.

10 SENATOR DIAMOND: Excuse me, so that's how Board
11 members are created? Somebody reaches out and invites
12 them to be on the Board; is that what happens? Is there a
13 voting process after that?

14 THE WITNESS: There is voting process.
15 Generally, that's been my --

16 SENATOR DIAMOND: But you think they're mostly
17 invitations by whomever to come to the board and be --

18 THE WITNESS: Yes. I also serve on another
19 statewide agricultural youth board, and that's how that's
20 done as well. I mean, we kind of look and see -- you like
21 to have a broad mix of people with experience statewide,
22 locally, and what their backgrounds are, I mean,
23 politically or not, and connections and knowledge. And
24 you try to have a well-rounded board.

25 I was asked at a board meeting a couple of weeks

1 ago in another board I serve if there were any -- there
2 were two vacancies and we were all asked if we had any
3 good ideas of candidates to --

4 SENATOR DIAMOND: Of the Board members when you
5 were serving, how many of those Board members had
6 legislative connections?

7 THE WITNESS: Two.

8 SENATOR DIAMOND: You and Mr. Brown?

9 THE WITNESS: No. At that point it was Doug
10 Carr and Bob Tardy, both were on the Good Will-Hinckley
11 Board at that time.

12 SENATOR DIAMOND: Okay. Thank you, Mr. Chair.

13 SENATOR KATZ: Thank you, Senator. Further
14 questions. Senator Davis.

15 SENATOR DAVIS: Thank you, Mr. Chairman. Just
16 to follow up on what Senator Diamond said.

17 Are you saying there is no central authority
18 that appoints people to the Board? I'm confused as to how
19 -- your answer on how people get selected for this board.

20 THE WITNESS: Right. Sure. And perhaps I'm not
21 the best person to answer it either, but my understanding
22 is and my experience has been that there is. Either the
23 Board chair or someone within the administration or
24 leadership of the school or Board, what have you, would,
25 after being suggested or recommended, would reach out to

1 you, check and see if you were interested in serving on
2 the Board, and then there would, I guess, be a vetting
3 process where your resume or experience would be shared
4 with the Board and then the Board would vote to accept you
5 as a Board member.

6 SENATOR DAVIS: So if it's the chair of the
7 Board, the board itself picks its own members; is that
8 what happens here?

9 THE WITNESS: I can't speak for every board, but
10 that was my experience with this particular board.

11 SENATOR DAVIS: I see. So it's not a
12 gubernatorial appointment or --

13 THE WITNESS: No.

14 SENATOR DAVIS: Being it's a public school, the
15 Speaker has so many or the president has so many?

16 THE WITNESS: Correct. It's not that situation.

17 SENATOR DAVIS: It's not. Seems rather
18 (indiscernible); do you think? Thank you.

19 SENATOR KATZ: Thank you, Senator. Other
20 questions for Mr. Nutting? Representative Mastraccio.

21 REP. MASTRACCIO: Thank you, Mr. Chair.

22 Mr. Nutting, with your experience on the Board,
23 and even though you didn't participate in this process,
24 I'm assuming that you've read the OPEGA brief and its
25 characterization as the hiring process being thorough,

1 above board, followed the process and followed its
2 (indiscernible); would you agree with that assessment and
3 how the Board usually does those types of things or that
4 you would agree with what was conveyed here?

5 THE WITNESS: I wouldn't agree with what was
6 conveyed there. I haven't heard anything, even though I
7 didn't participate, I haven't heard anything that didn't
8 lead me to believe that they, you know, took a long, you
9 know, six-months period of time with a typical standard,
10 good search situation.

11 SENATOR KATZ: Thank you. Representative
12 Campbell.

13 REP. CAMPBELL: Thank you. Thank you, Mr.
14 Nutting.

15 You mentioned a little bit ago that Mr. Moore
16 had a conversation with you or you with him. Can you
17 share with us about the timing of that? Was it during the
18 process or at what point (indiscernible)?

19 THE WITNESS: You mean during the hiring
20 process? No, the conversations we had were post the issue
21 being in the news and throughout the State House, so it
22 was after kind of everything had broke, all the news had
23 broke. And the discussion really stemmed around, you
24 know, what's your recommendation, do we have any other
25 options, what is the best, you know -- it was basically,

1 you know -- I offered to talk things through with him if
2 he wanted. We didn't talk a lot, but I just wanted, as a
3 Board member, to say if he wanted to bounce anything off
4 of me, he's free to do that.

5 REP. CAMPBELL: So you were a Board member at
6 the time of the selection process, but didn't participate?

7 THE WITNESS: Correct.

8 REP. CAMPBELL: And there was no one that
9 reached out to you knowing how close you are to this
10 process that there might be a little concern between the
11 personalities and positions and the experience?

12 THE WITNESS: No one reached out to me at that
13 point. Again, I would put that more on as my own fault
14 given that I was in some of the email chains and just
15 plainly embarrassingly did not pay attention or really --

16 REP. CAMPBELL: (Indiscernible) better off?

17 THE WITNESS: One could assume that,
18 Representative, at this point, yes.

19 SENATOR KATZ: Thank you. Other questions for
20 Mr. Nutting? Senator Johnson.

21 SENATOR JOHNSON: Thank you, Mr. Chair.

22 Since you're in a rather interesting position
23 that you're familiar with the Board, but you weren't part
24 of the process, I'm interested in your thoughts. Are you
25 accustomed to decisions of the Board or the decisions of

1 any school systems you've been involved with vetting their
2 hiring decisions with the chief executive?

3 THE WITNESS: I am not.

4 SENATOR KATZ: Thank you. Other questions?
5 Seeing none, thank you very much for being here this
6 afternoon, and I think I did ask you, you produced any
7 documents you had that were relevant to this?

8 THE WITNESS: Yes.

9 SENATOR KATZ: Thank you very much. Appreciate
10 it.

11 THE WITNESS: Thank you.

12 SENATOR KATZ: Our next invitee is Bill Brown.
13 Mr. Brown. Good afternoon.

14 MR. BROWN: Thank you, Mr. Chair. Good
15 afternoon.

16 SENATOR KATZ: Could you raise your right hand,
17 please. Do you swear the testimony you're about to give
18 is the truth, the whole truth, and nothing but the truth?

19 MR. BROWN: I do.

20 SENATOR KATZ: Thank you.

21 Whereupon,

22 BILL BROWN,
23 after having been duly sworn, was examined and testified
24 as follows:

25 SENATOR KATZ: Good afternoon. Can you tell us

1 your name, who you are, and make any statement you'd like
2 to as we begin.

3 THE WITNESS: Certainly. Just real briefly, I'd
4 like to say that my name is Bill Brown. I have the honor
5 and the privilege of having served seven Speakers of the
6 House working on as many biennial budgets and uncounted
7 emergency budgets as well to provide members, the public,
8 and members of the media with accurate information in a
9 timely fashion.

10 I also have the privilege to serve as the Board
11 Chair of Maine Academy of Natural Sciences Board, not the
12 Board of Good Will-Hinckley. And I also have the distinct
13 pleasure of being the constituent of Senator Davis.

14 UNIDENTIFIED SPEAKER: Congratulations.

15 THE WITNESS: Thank you.

16 UNIDENTIFIED SPEAKER: How's that working out?

17 THE WITNESS: It's been great so far.

18 SENATOR KATZ: We won't ask you how you voted.

19 Are there questions for -- is there anything
20 else you'd like to say before we begin?

21 THE WITNESS: No, sir.

22 SENATOR KATZ: Thank you. Questions for Mr.
23 Brown?

24 Let me ask you this, so you are on the MeANS
25 Board, I guess the Chair of the MeANS Board; is that

1 correct?

2 THE WITNESS: Yes. I became Chair of the MeANS
3 Board upon Rich Abramson becoming interim president.

4 SENATOR KATZ: And that was approximately when?

5 THE WITNESS: Fall of 2014.

6 SENATOR KATZ: All right. So would you tell us
7 what role, if any, you played in the recruitment of
8 application process for the new president of Good Will-
9 Hinckley?

10 THE WITNESS: Sure. I was a member of the
11 Search Committee, and at the urging of the former chair,
12 excuse me, the former president, I mentioned the opening
13 to the Speakers.

14 SENATOR KATZ: Okay. And after that?

15 THE WITNESS: After that, I participated in
16 phone - I reviewed the 19 resumes. I participated in
17 phone interviews for candidates that were selected, not
18 including the Speaker. I recused myself from that
19 meeting, and I at other points during -- at any other
20 point during the process where the Board or the Committee,
21 the Search Committee, was considering his candidacy, I
22 recused myself.

23 SENATOR KATZ: At a certain point he became one
24 of the six finalists; is that true?

25 THE WITNESS: Yes.

1 SENATOR KATZ: What role -- so he was involved
2 in the process as one of the final six at that point.
3 What role, if any, did you play from that point forward?

4 THE WITNESS: I offered no comment on his
5 candidacy. If I was asked a question, I tried to respond
6 truthfully to that question, but only offered it as
7 information.

8 SENATOR KATZ: Did you participate in the
9 vetting and discussing of the other five candidates,
10 though?

11 THE WITNESS: I did, yes.

12 SENATOR KATZ: This is by, its very nature, a
13 comparative process, isn't it?

14 THE WITNESS: It is, yes.

15 SENATOR KATZ: How could you participate in
16 talking about the other five without -- leaving one person
17 out? How is that fair to the other five or to the
18 Speaker?

19 THE WITNESS: I'm not sure what I can say
20 regarding the selection process.

21 SENATOR KATZ: Well, let me ask it a different
22 way.

23 THE WITNESS: Please.

24 SENATOR KATZ: And I know hindsight is
25 wonderful, but why didn't you just take yourself out of

1 the process entirely once the Speaker became one of the
2 finalists?

3 THE WITNESS: It was my intention to make sure
4 that the MeANS Board was representative in its advisory
5 role through this process.

6 SENATOR KATZ: Why didn't you suggest that
7 someone else from the MeANS Board take your spot at that
8 point?

9 THE WITNESS: I can't say why I didn't do that.
10 It didn't occur to me at the time.

11 SENATOR KATZ: Other questions for Mr. Brown?
12 Representative Campbell.

13 REP. CAMPBELL: Thank you. Thank you for
14 coming, Mr. Brown.

15 THE WITNESS: Thank you, Representative.

16 REP. CAMPBELL: Can you explain a little bit of
17 the history -- you mentioned something about serving seven
18 Speakers. I was involve with Glen at Hinckley and really
19 respect what's come of the boards and its missions. How
20 were you first involved with Hinckley and then with the
21 legislature and the legislature with Hinckley?

22 THE WITNESS: Certainly. Thank you for the
23 question. I, beginning in 1999, began work for the
24 legislature. In 2011 I left the legislature briefly,
25 well, for a year and a half, and I worked as Vice

1 President of Operations for Good Will-Hinckley, at which
2 time I assisted with the sale of a portion of the campus
3 to the Maine Community College system, which you
4 highlighted earlier today, and with the drafting, filing
5 of -- and filing of the application to the Maine State
6 Charter Commission to form the Maine Academy of Natural
7 Sciences as a charter school after a year of operation as
8 a private school, and then with the initial opening and
9 operation of the Maine Academy of Natural Sciences as a
10 public charter school.

11 And, I'm sorry, to finish that, when -- I think
12 in 2012, December of 2012, I returned to the legislature.

13 REP. CAMPBELL: Thank you.

14 THE WITNESS: Thank you.

15 SENATOR KATZ: Mr. Brown, could you tell us, at
16 some point Jack Moore raised the issue of doing another
17 round of interviews with the top two candidates, I assume
18 that's the Speaker and whoever the other one was, right?

19 THE WITNESS: Yes.

20 SENATOR KATZ: How did you feel about that and
21 how did other members of the MeANS Board feel about that
22 because this was a deviation from the initial selection
23 process?

24 THE WITNESS: I felt it was a deviation from the
25 process, but since there were questions for each of those

1 two candidates that it could be resolved before the full
2 boards met with them. As long as the Maine Academy of
3 Natural Sciences Board was present in some way, I felt
4 that that would be acceptable.

5 SENATOR KATZ: So there were two -- you did
6 express some concern about it, did you not?

7 THE WITNESS: I don't know as though I expressed
8 concern.

9 SENATOR KATZ: All right. And those interviews
10 took place in Brunswick on May 13th; is that right?

11 THE WITNESS: That's correct.

12 SENATOR KATZ: And I take it there were two
13 separate meetings?

14 THE WITNESS: Yes, consecutive meetings.

15 SENATOR KATZ: And who was at each of those
16 meetings?

17 THE WITNESS: Chair Moore, myself, each of the
18 two candidates, and Vice President, or I guess Acting
19 President at that point, Rob Moody.

20 SENATOR KATZ: So you participated in the
21 meeting that involved the Speaker?

22 THE WITNESS: I was there. I wouldn't say I
23 participated. I strove to find another member of my board
24 to attend, but they were unable to.

25 SENATOR KATZ: Do you recall if you participated

1 in the meeting?

2 THE WITNESS: Pardon me?

3 SENATOR KATZ: Do you recall if you participated
4 in the meeting?

5 THE WITNESS: I was present. I did not ask any
6 questions. I didn't answer any questions.

7 SENATOR KATZ: Okay.

8 THE WITNESS: I was there in an observer role.

9 SENATOR KATZ: Is it fair to say that following
10 those two meetings that there was some discussion among
11 the Good Will-Hinckley people how each of those meetings
12 had gone?

13 THE WITNESS: Yes, though I think "discussion"
14 is strong of a word. There was a -- I think there was a
15 sense that one candidate's answers -- again, this was not
16 my judgment. I think there was a sense that one
17 candidate's answers were more complete or more reassuring
18 than others.

19 SENATOR KATZ: Well, the meetings took place
20 separately with what, an hour in between them or some
21 separation, correct?

22 THE WITNESS: Yes, but probably not that much,
23 but yes.

24 SENATOR KATZ: And the second meetings ends --

25 THE WITNESS: Yes.

1 SENATOR KATZ: -- by candidate number two. Four
2 of you or three of you are still there, correct?

3 THE WITNESS: Yes.

4 SENATOR KATZ: Had some discussion about what
5 had taken place?

6 THE WITNESS: Yes.

7 SENATOR KATZ: Did you participate in that
8 discussion?

9 THE WITNESS: No.

10 SENATOR KATZ: Were you present for the
11 discussion?

12 THE WITNESS: I was present for the discussion
13 again and in an observer role.

14 SENATOR KATZ: You said nothing?

15 THE WITNESS: I don't recall saying anything
16 substantive.

17 SENATOR KATZ: Thank you. Other questions for
18 Mr. Brown? Senator Diamond.

19 SENATOR DIAMOND: Thank you, Mr. Chairman. Good
20 afternoon, Mr. Brown.

21 THE WITNESS: Good afternoon, Senator.

22 SENATOR DIAMOND: You acted like you had more
23 you wanted to say when the question was asked about those
24 six interviews. You had participated in five of those,
25 and it is a comparative sort of a situation. What did you

1 do with the information that you garnered in your
2 interview process when that was then put together with the
3 other candidate, all six? Did I explain that well?

4 THE WITNESS: Well, let me provide an answer,
5 and if that answer doesn't speak to your question, maybe
6 we can clarify that.

7 At the end of the process I returned all the
8 materials for the search process to the human resource
9 staff at Good Will-Hinckley.

10 SENATOR DIAMOND: All the interviews you did,
11 all the data you gathered, you then gave that to another
12 person, the human resources folks --

13 THE WITNESS: Yes.

14 SENATOR DIAMOND: -- and then they included that
15 in their discussion with the final candidate you did not
16 interview?

17 THE WITNESS: No, I'm sorry. This was at the
18 conclusion of the process I returned all my documents.

19 Without getting too deep into the particulars of
20 the process, I looked at how I felt other -- the
21 candidates whom I had heard speak had responded to the
22 different criteria that we had considered. And I
23 advocated for them for their inclusion.

24 SENATOR DIAMOND: Okay. So you evaluated five
25 of them that you talked with -- your own evaluation?

1 THE WITNESS: Yes.

2 SENATOR DIAMOND: And then your evaluations were
3 put with whomever interviewed the six, the Speaker --

4 THE WITNESS: Yes.

5 SENATOR DIAMOND: -- that was how the
6 consideration was reached?

7 THE WITNESS: Yes.

8 SENATOR DIAMOND: Thank you.

9 SENATOR KATZ: Representative Kruger.

10 REP. KRUGER: Thank you, Mr. Chair. Thank you,
11 Mr. Brown, for coming.

12 THE WITNESS: Thank you, Chair Kruger.

13 REP. KRUGER: I know you to be a very careful,
14 very thoughtful, and dare I say intelligent person, and we
15 have all encountered over the years inadvertent conflict
16 situations and we handled them the best we can. At any
17 time during the process of selection, do you think you
18 maintained your personal highest standard for staying out
19 of the position of conflict in this particular
20 appointment? I mean, it wasn't something you designed, so
21 it came upon you. You're Chairman of the Board. You need
22 to have MeANS input there. Are you comfortable with how
23 you handled the potential conflict or the perceived
24 conflict?

25 THE WITNESS: In hindsight, I wish I had

1 absented myself from the process entirely, but given the
2 timing and the circumstances, I would give a qualified
3 yes.

4 REP. KRUGER: Thank you.

5 THE WITNESS: Thank you.

6 SENATOR KATZ: Senator Davis.

7 SENATOR DAVIS: Thank you, Mr. Chainman, and
8 thank you, Mr. Brown, for being here today.

9 THE WITNESS: Thank you, Senator.

10 SENATOR DAVIS: You said in your opening you had
11 served seven Speakers of the House of Representative?

12 THE WITNESS: Yes, sir.

13 SENATOR DAVIS: Well, I've served six presidents
14 of the Maine Senate, so you're ahead of me. How about
15 that?

16 I'm curious, the previous person that testified
17 spoke about the manner in which board members are
18 selected. I'm curious if you could shed some light as
19 Chairman of the Board to -- perhaps you can tell us how
20 that all comes about.

21 THE WITNESS: Well, I can attempt to speak to
22 the different processes that each separate board uses to
23 select that and elect members.

24 My understanding of how Good Will-Hinckley
25 chooses its board members is there are candidates that are

1 put forward and are then considered by a membership
2 organization known as the Good Will-Hinckley Home
3 Association alumni and other interested folks who then, in
4 their annual meeting, vote on to accept or reject
5 different board members to serve on the Good Will-Hinckley
6 Board.

7 SENATOR DAVIS: So the Board itself doesn't
8 select its own membership. It's vetted through a
9 committee of sorts --

10 THE WITNESS: Yes.

11 SENATOR DAVIS: -- and then the alumni vote on
12 it?

13 THE WITNESS: Alumni and others.

14 SENATOR DAVIS: Is that how you became a member?

15 THE WITNESS: No. I am not a member of the Good
16 Will-Hinckley Board.

17 SENATOR DAVIS: Oh, you're not, okay.

18 THE WITNESS: I am a member of the Maine Academy
19 of Natural Sciences Board whose members are selected both
20 by members of the Good Will-Hinckley Board and by members
21 of the Maine Academy of Natural Sciences Board.

22 SENATOR DAVIS: How long have you been a board
23 member of those others?

24 THE WITNESS: I want to say since summer --

25 SENATOR DAVIS: Six Speakers ago or --

1 THE WITNESS: Not quite that soon, Senator. I
2 want to say summer of 2014 perhaps -- sorry. I served as
3 a Board member for some period of time before assuming
4 chairmanship.

5 SENATOR DAVIS: Thank you for that answer. I
6 don't want to be crass, but hindsight is perfect. It
7 leads you to a very perfect place. Unfortunately, we
8 can't do it. I understanding, you know, saying you would
9 do things differently in regards to all of this if you had
10 to do over again. I could assure you if I had my time to
11 do over again I'd do things different, and I probably
12 wouldn't be talking to you right now. Thank you.

13 THE WITNESS: Thank you.

14 SENATOR KATZ: Thank you, Senator. Other
15 questions for Mr. Brown? Senator Burns.

16 SENATOR BURNS: Thank you, Mr. Chair. I'm glad
17 he's got his mic off. Good afternoon, Mr. Brown.

18 THE WITNESS: Good afternoon, Senator.

19 SENATOR BURNS: Just a couple questions if I
20 can. How were you selected as the chair of the MeANS
21 Board? Is that through the vote of the Board?

22 THE WITNESS: I believe it was, yes. That was
23 -- yes, to the best of my recollection.

24 SENATOR BURNS: How long have you been there?

25 THE WITNESS: I said a few moments ago I believe

1 I've been chair since, I want to say fall of 2014.

2 SENATOR BURNS: 2014. Forgive me if I ask you
3 questions that have already been asked.

4 THE WITNESS: No, not at all.

5 SENATOR BURNS: A couple of us are falling
6 asleep here, so -- can you explain a little bit more to me
7 about what you mean when you say you recused yourself.
8 You've probably explained this three times now, but out of
9 the five candidates that you participated in, that was not
10 a recusal, that was taking (indiscernible); is that
11 correct?

12 THE WITNESS: Yes. I listened to their answers
13 and I don't believe I asked them any questions, but I
14 listened to their interviews.

15 SENATOR BURNS: Okay. So did the rest of the
16 participants in that process ask questions?

17 THE WITNESS: I would say certainly some, but I
18 couldn't speak to exactly who or how many.

19 SENATOR BURNS: So some of them did sit out,
20 didn't ask any questions to your recollection?

21 THE WITNESS: I'm sorry, Senator, this was
22 several months ago and I --

23 SENATOR BURNS: Did you purposely not ask any
24 questions or just didn't get -- or they were already asked
25 or what?

1 THE WITNESS: I think found my questions were
2 answered, excuse me, were asked and answered.

3 SENATOR BURNS: Okay. So when you say recused
4 yourself from the Speaker's part of this, what does that
5 mean to you? How did you recuse yourself? You just sat
6 and monitored?

7 THE WITNESS: No. For the Speaker's phone
8 interview I was not present.

9 SENATOR BURNS: Okay. What about his Board
10 interview?

11 THE WITNESS: His Board interview I opened the
12 meeting and observed as other members asked him questions.

13 SENATOR BURNS: Okay. And you didn't
14 participate at all in that particular aspect?

15 THE WITNESS: I don't -- no.

16 SENATOR BURNS: No, you did not?

17 THE WITNESS: No.

18 SENATOR BURNS: Okay. Question about Good Will-
19 Hinckley, if you know. Have they ever had a development
20 director or a fundraising person?

21 THE WITNESS: They have.

22 SENATOR BURNS: Other than the president?

23 THE WITNESS: I would say back prior to 2008,
24 Good Will-Hinckley had a development department, and since
25 that time they have not had a development director. They

1 have employed a development associate.

2 SENATOR BURNS: Okay. That works probably along
3 with the president; is that --

4 THE WITNESS: Yes.

5 SENATOR BURNS: Yeah, okay. Thank you.

6 As far as the Good Will-Hinckley Board is
7 concerned, did you participate in any outside-of-board
8 discussions with them about these candidates?

9 THE WITNESS: No.

10 SENATOR BURNS: None?

11 THE WITNESS: No.

12 SENATOR BURNS: And did you at any point give
13 any feedback to the Speaker about any of these
14 deliberations that were taking place in or out of your
15 presence?

16 THE WITNESS: No.

17 SENATOR BURNS: Thank you, sir.

18 THE WITNESS: Certainly.

19 SENATOR KATZ: Thank you, Senator. Other
20 questions for Mr. Brown? Presentative Campbell.

21 REP. CAMPBELL: Thank you.

22 So, Mr. Brown, you go back seven Speakers, so
23 you must go back three governors?

24 THE WITNESS: Certainly.

25 REP. CAMPBELL: And I think we all kind of agree

1 that this governor is a different personality. Knowing
2 what you know about the system and the fact that you were
3 more around the Board than Mr. Nutting, I'm assuming that
4 you must have had some discussions about -- with other
5 Board members. Did you talk to other Board members about
6 the process at all outside the deliberations?

7 THE WITNESS: I'm not sure I understand the
8 question. I'm sorry.

9 REP. CAMPBELL: Generally, we all know each
10 other as Board. When it comes time to vote on something
11 that has a conflict, you recuse yourself.

12 THE WITNESS: Certainly.

13 REP. CAMPBELL: But in many cases, knowing other
14 people, we have discussions outside the boardroom or the
15 vote. Did you have any discussions with other members of
16 the boards, either board throughout the process?

17 THE WITNESS: I had one, I had a conversation
18 with one member that consisted of we have some interesting
19 candidates. I was asked by another member what I thought
20 of the relationship between the Governor and the Speaker,
21 and I believe my words were, "It's better than it was last
22 session, and it's as good as anyone else's," and at the
23 time it was.

24 REP. CAMPBELL: So I guess knowing what you know
25 about the system for seven Speakers and the environment

1 for which we're now in, I asked both Mr. Moore and Mr.
2 Abramson about the fact that -- I asked them if there was
3 any dialogue concerning the Speaker's past support or not
4 and his general fundraising in areas not quite as related
5 to charger schools. And I'm confused where you, Mr.
6 Nutting, many others, Mr. Tardy, others who have been on
7 the Board and know what might happen in an environment
8 like this, which is different than probably ever before,
9 there was never an dialogue amongst the members at the
10 Board, through the deliberations, or outside about the
11 possibility that this might not be a good fit. Can you
12 explain why that didn't happen?

13 THE WITNESS: I'm sorry, can you repeat your
14 question? There seems to be several pieces to it. I want
15 to make sure I answer it completely.

16 REP. CAMPBELL: Just the point knowing the
17 environment, the present environment since January, and
18 the fact that this selection seemed to occur then, I find
19 it unusual that there was no one that was talking about
20 this or really actually had a discussion concerning the
21 environment and the credentials for the finalists.

22 UNIDENTIFIED SPEAKER: If there were
23 discussions, that there were discussions along those
24 lines, but in any event, go ahead.

25 REP. CAMPBELL: I guess, you know, I asked Mr.

1 Moore the same thing --

2 THE WITNESS: Sure.

3 REP. CAMPBELL: -- and no one really talked
4 about it where, basically, the position was, "We're non-
5 partisan, we're not political, but wow, look at where we
6 are now."

7 THE WITNESS: I guess I would say again that in
8 my view, my taking the temperature, until this situation
9 relations between the third and the second floor seemed to
10 be as good as they had been at any point in the past few
11 years.

12 REP. CAMPBELL: You are well aware of how much
13 the Governor did support the school and how excited he was
14 about it until this point?

15 THE WITNESS: Certainly. I was present at the
16 graduation in which he -- the commencement at which he
17 spoke. As I said, I worked on preparing and submitting
18 the application for the Maine Academy of Natural Sciences
19 to become a public charter school and helped with the
20 operation of that.

21 REP. CAMPBELL: Thank you.

22 SENATOR KATZ: Thank you. Other questions?
23 Senator Davis.

24 SENATOR DAVIS: Thank you, Mr. Chairman.

25 You were on the Board when Speaker Cummings was

1 selected?

2 THE WITNESS: No, sir. I worked. I was an
3 employee of Good Will-Hinckley after now President
4 Cummings was then President Cummings.

5 SENATOR DAVIS: I see. So you didn't have
6 anything to do with his being selected --

7 THE WITNESS: I did not, no.

8 SENATOR DAVIS: -- president or anything like
9 that? Thank you.

10 SENATOR KATZ: Other questions? Senator Burns.

11 SENATOR BURNS: Thank you, Senator Katz. I
12 thought I was all done, but I think I heard Representative
13 Campbell ask you the exact same question that I tried to
14 ask you, whether or not you had any discussions, informal
15 discussions with any of the Board members outside of the
16 board meetings, and I thought you told me distinctly you
17 had not. And I just heard two or three different
18 conversations you related, so can you clarify that for me?
19 Did you have those discussions outside of the board
20 meeting?

21 THE WITNESS: I'm sorry, it was not my intention
22 to mislead you.

23 SENATOR BURNS: No, I'm sure it wasn't. I just
24 -- I'm trying to clarify this in my own mind what recusal
25 really means, so did you or didn't you have discussions

1 with some of the Board members that were participating in
2 the hiring process?

3 THE WITNESS: As I said, there was -- I had one
4 conversation with a Board member and the extent which was,
5 "Well, we certainly have some interesting candidates,"
6 yes. And the other was I was asked for my opinion of the
7 relationship between the Speaker and the Governor, and I
8 provided, as I said, "It was better than the previous
9 session and as good as anyone else's, or appeared to be."

10 SENATOR BURNS: Who were those discussions with?
11 Which two Board members?

12 THE WITNESS: The first was with Doug Carr, and
13 to the best of my recollection the second was with Jack
14 Moore.

15 SENATOR BURNS: Thank you very much.

16 THE WITNESS: Certainly.

17 SENATOR KATZ: Other questions? Yes,
18 Representative Mastraccio.

19 REP. MASTRACCIO: Thank you, Mr. Chair.

20 Mr. Brown, can you just tell me as a board
21 member of MeANS what other -- in what role does the
22 Department of Ed or other functions of state government
23 actually participate in hiring decisions at the MeANS
24 School or with Good Will-Hinckley.

25 THE WITNESS: The State Charter Commission is

1 notified of any changes in leadership.

2 REP. MASTRACCIO: So the Department of Ed
3 doesn't participate and the Commissioner of Education, the
4 Governor, the Governor's office, none of those people
5 participate?

6 THE WITNESS: No, ma'am.

7 REP. MASTRACCIO: Thank you.

8 SENATOR KATZ: Other questions for -- yes,
9 Representative Campbell.

10 REP. CAMPBELL: Where you're involved with five
11 of the six, and I'm sure you knew the Speaker's resume
12 pretty well, did the others have different types of
13 experience, one more education? What were the experiences
14 or the resumes of the others?

15 THE WITNESS: I would say that all of the
16 candidates brought some qualities to the table. None
17 brought all of the qualities to the table. Is that
18 helpful?

19 REP. CAMPBELL: Pretty much.

20 THE WITNESS: Okay.

21 SENATOR KATZ: Other questions? Representative
22 Sanderson.

23 REP. SANDERSON: Thank you. I came in late, so
24 please pardon me if I ask a question that has already been
25 asked and I apologize. I had an appointment at my

1 daughter's school I could not get out of. But just out of
2 curiosity, well, not out of curiosity, but it was told to
3 us at the last meeting you were the gentleman who informed
4 Speaker Eves of the position; is that correct?

5 THE WITNESS: Correct.

6 REP. SANDERSON: Okay. When did you inform him
7 of that?

8 THE WITNESS: Without looking at the documents,
9 I can't give you a date, but I can tell you that I
10 informed him of the position when former president of Good
11 Will-Hinckley and current president of University of
12 Southern Maine mentioned to me that the position might be
13 of interest to Mark.

14 REP. SANDERSON: Okay. And I came in it was --
15 I wish I would have been here earlier. I'm so sorry. Did
16 you provide Speaker Eves at any time about information
17 regarding any of the other candidates?

18 THE WITNESS: No.

19 REP. SANDERSON: No? Okay. Did you give the
20 Speaker any advice or tips during the interview process?

21 THE WITNESS: I did. I looked at his resume and
22 noted to him certain aspects that I thought he could --
23 aspects of his resume and experience that I felt the
24 school in searching for an outward-facing leader would be
25 interested in, if he were to highlight perhaps those

1 areas, that that would be helpful.

2 REP. SANDERSON: Okay. Did you provide that as
3 a member of the MeANS Board? Did you provide that same
4 kind of advice to any of the other candidates?

5 THE WITNESS: I was not asked.

6 REP. SANDERSON: So Speaker Eves asked you for
7 advice or tips?

8 THE WITNESS: Again, I would have to look at
9 documents I've provided to this committee, but I recall
10 that I saw his resume and made those comments.

11 REP. SANDERSON: Okay. Speaker Eves does not
12 have any educational experience, correct?

13 THE WITNESS: I think that's the -- I would not
14 characterize it that way with the Speaker as working
15 school systems with at-risk youth.

16 REP. SANDERSON: Okay. Did you draft Good Will-
17 Hinckley's announcement about the hiring of Speaker Eves?

18 THE WITNESS: I did not.

19 REP. SANDERSON: You did not. Do you know who
20 did?

21 THE WITNESS: I believe it was staff at Good
22 Will-Hinckley.

23 REP. SANDERSON: Okay. One of the big questions
24 that I have is it was very hard for this committee to, I
25 mean, we had to wait a bit to get a copy of the Alford

1 letter that was sent to Good Will-Hinckley and it was
2 obviously in the press prior to anybody having seen the
3 letter, and the press, evidently, had a copy. Do you know
4 where the press received a copy of the letter from?

5 THE WITNESS: I do not.

6 REP. SANDERSON: You didn't submit it to them?

7 THE WITNESS: I did not.

8 REP. SANDERSON: Did the Board?

9 THE WITNESS: I do not know who -- I do not know
10 how the press got a hold of that letter.

11 REP. SANDERSON: Okay, thank you.

12 THE WITNESS: Certainly.

13 SENATOR KATZ: Other questions? Senator
14 Gerzofsky.

15 SENATOR GERZOFSKY: Thank you, Mr. Chair, and
16 thank you, Mr. Brown, for being here today.

17 I got kind of a direct question. I like those
18 and you do, too. And I think that you've been around this
19 building longer than most, and you've probably been more
20 involved in the budget process than most over the years
21 you've been here. I also think that most anybody that's
22 ever worked in the House has asked you for advice once or
23 twice. I know I have.

24 We're investigating, we're trying to come to
25 some sort of a conclusion about certain facts that deal

1 with this issue, the Governor, Good Will-Hinckley, and
2 Speaker Eves. You've seen how budgets have been
3 manipulated over the years. You've seen how sometimes
4 good intentions have gone sour. You've seen how politics
5 have been played out on this second and third floor.

6 I believe you served under three different
7 administrations, one being an Independent, one being a
8 Republic, and one being a Democrat. My question is are we
9 in the world of bare-knuckle, hardball politics, or
10 something else?

11 THE WITNESS: I'm unsure how to answer that
12 question.

13 SENATOR GERZOFKY: I'm not sure of how to ask
14 that question, but I think it's the question that we're
15 all asking. Thank you very much.

16 THE WITNESS: Certainly.

17 SENATOR KATZ: Thank you. Further questions?
18 Representative Mastraccio. And, again, I think these
19 questions are all fair game, but I don't want to lose the
20 Committee's focus about the reason we're here.

21 REP. MASTRACCIO: And that was going to be my
22 point is that for me, it's about was the Board -- the
23 Board decided to hire the Speaker, and that vote
24 was --

25 THE WITNESS: Let me clarify. The Good Will-

1 Hinckley Board voted unanimously --

2 REP. MASTRACCIO: Unanimously.

3 THE WITNESS: -- to hire the Speaker.

4 REP. MASTRACCIO: So it wasn't like you had the
5 vote that pushed it over the edge and that it was close or
6 that you were even on that board that voted for that?

7 THE WITNESS: Correct.

8 REP. MASTRACCIO: Thank you.

9 SENATOR KATZ: Other questions for Mr. Brown?
10 Representative Sanderson and then Representative Campbell.

11 REP. SANDERSON: Thank you.

12 What role did you play in discussing with the
13 Board or did the Board have conversations, both boards,
14 both the Good Will-Hinckley Board and the MeANS Board,
15 about the need for certain qualifications? And I'm
16 referring to the initial announcement that went out when
17 first seeking a president for the school.

18 There was a very long list and detailed set of
19 criteria for what the Board was looking for in a president
20 for the school. And somehow through the process --

21 REP. KRUGER: Object.

22 SENATOR KATZ: Sir --

23 REP. KRUGER: I don't feel that the question
24 before us or these proceedings have anything to do with
25 the qualifications of the candidates for president of Good

1 Will-Hinckley. This is about the process and about the
2 possible threat made of withdrawing funding. It is not
3 about Mark Eves or anyone else's qualifications to serve
4 in that job.

5 REP. SANDERSON: May I respond to that, Mr.
6 Chair?

7 SENATOR KATZ: Sure.

8 REP. SANDERSON: I think it's very relevant to
9 that. We, obviously, have an executive who was incredibly
10 upset about the hiring of an individual who he feels does
11 not qualify for the job of president of Good Will-
12 Hinckley.

13 REP. KRUGER: This is not a --

14 SENATOR KATZ: Hold on, one second.

15 REP. SANDERSON: The initial job description
16 that was put out was incredibly detailed, looked for a
17 depth of knowledge in education, superintendent
18 experience, curriculum experience. It's all in the
19 report. It's very detailed. What happened, what came out
20 at the other end was someone who was forward-facing and
21 good at fundraising. That's a very different set of
22 criteria from what went in the front door and what came
23 out the back door at the end of the deal.

24 REP. KRUGER: (Indiscernible.)

25 SENATOR KATZ: Hold on, hold on.

1 REP. SANDERSON: So I think it's very important
2 to try and understand the thought process of the Board in
3 selecting Speaker Eves for this position when he doesn't
4 have the qualifications that were initially posted for
5 that position.

6 SENATOR KATZ: Representative Kruger.

7 REP. KRUGER: I just don't feel that this is an
8 appropriate line of questioning for this proceeding. It's
9 just not about the candidates' qualifications. It's not
10 about the decision by the Board of who to hire and how.
11 We're way off topic, and I would like this committee to
12 get back on to the topic.

13 SENATOR KATZ: So here's what I think we're
14 going to do. It's 3:20. We want to get this wrapped up
15 this afternoon. I think that Representative Kruger is
16 correct in reciting the scope of our work here on this
17 committee. I think there's been a good vetting of the
18 process that the Board has gone through, but I would agree
19 that the wisdom of the Board's decision in selecting the
20 Speaker or the lack of wisdom of the Board in selecting
21 the Speaker is not what we're here today. So I would ask
22 Committee members to attempt to restrict their questions
23 to the scope of the review that we agreed upon earlier.

24 REP. SANDERSON: May I make one comment, Mr.
25 Chair?

1 SENATOR KATZ: Sure.

2 REP. SANDERSON: I would --

3 SENATOR KATZ: You could make a motion to
4 overrule my ruling if you'd like, too.

5 REP. SANDERSON: I would make a -- I move to
6 overrule the ruling.

7 SENATOR DAVIS: Second.

8 SENATOR KATZ: Move and seconded to overrule my
9 ruling. Is there a discussion on the motion? Senator
10 Burns.

11 SENATOR BURNS: Thanks, Senator.

12 Let's see if I can be succinct about this.
13 That's never happened, but I'm going to try. I heard a
14 phrase today that really put this in context. Somebody
15 mentioned that this is about politics, to some extent, on
16 both sides, whether you're talking about the
17 administration or you're talking about the Board's
18 process.

19 Our focus has been to determine what happened
20 and maybe why it happened, so if you're going to answer
21 those two questions, you have to go a little bit further
22 than just one side of the equation. I think that's the
23 effort that's undergoing right now. So if you cut the
24 discussion of at only one side of the discussion, one side
25 of the equation, you're never going to know why something

1 took place.

2 We've been talking about why the Board did what
3 it did. It's coming into perspective to me I think why
4 the administration did what he did, so I think to try to
5 at this point narrow the focus down to one side of the
6 equation is inappropriate. I think these questions are in
7 line; otherwise, we're only talking about one side of the
8 issue. Thank you.

9 SENATOR KATZ: Further discussion on the motion?
10 Senator Johnson.

11 SENATOR JOHNSON: Thank you, Mr. Chair.

12 The question that we're trying to answer with
13 OPEGA's work and these (indiscernible) interviews is a
14 question of what happened regarding the providing and the
15 withholding and the communications regarding Good Will-
16 Hinckley funding as requested by Representatives that sent
17 this committee a letter and Senators as well.

18 And it's very clear, it's been made clear
19 multiple times during the course of our questions and
20 answers offered that the chief executive was not pleased
21 and felt that he had a long list of reasons why he was not
22 pleased with the outcome of that selection process.

23 We've also had questions --

24 SENATOR KATZ: Excuse me, Senator, could you
25 just direct your comments specifically to the motion

1 before us?

2 SENATOR JOHNSON: Certainly. The line of
3 inquiry that you have ruled I believe accurately is not
4 part of our question, is not part of that question which I
5 just reiterated. How the chief executive feels about that
6 was not the subject of our inquiry. The actions regarding
7 funding were. So I would support the ruling.

8 SENATOR KATZ: Further discussion on the motion?
9 Senator, excuse me, Representative Duchesne, then Senator
10 Davis.

11 REP. DUCHESNE: Thank you, Senator. We have
12 multiple mics on. Thank you, Senator.

13 Yeah, I guess my understanding of the charge is
14 we're essentially going to get a final report out of OPEGA
15 which we're going to have to vote to endorse, and it's
16 going to be fact-finding, so we're really concerned about
17 the what. We really don't care that much about the why.
18 Other people later can figure out all the whys they want.
19 I may be overruled, but anyway, I don't think we're that
20 concerned about the why. I think we want to know the
21 what's and then endorse the report or not. That's what
22 we're doing.

23 SENATOR KATZ: Thank you. Senator Davis.

24 SENATOR DAVIS: Thank you, Mr. Chairman.

25 I would support what Senator Burns has said.

1 Any good investigator, any investigation that's done, you
2 look at the whole thing to find the facts as to the whole
3 situation. And I think to leave out the questions that
4 have been put forth here isn't wrong.

5 There have been numerous times today when I
6 thought that questions that were being asked shouldn't be
7 asked. There have been times, Mr. Chairman, when I
8 thought that you should have stopped the questioning, but
9 that's my point. I think that the questions should go
10 forward as they have been presented. Thank you.

11 SENATOR KATZ: Thank you. Further discussion?
12 Representative Campbell and then Representative Sanderson.

13 REP. CAMPBELL: Thank you. I guess I agree with
14 the premise that our mission is the what and not the why,
15 but, in fact, the what becomes two-sided. And if I don't
16 know the other side, the what happened as a result of what
17 happened isn't going to be clear to me, so I'm still
18 asking a few questions about how the what happened and
19 then the what which reacted to what's happening happened.

20 SENATOR KATZ: Thank you. Representative
21 Sanderson.

22 REP. SANDERSON: Thank you.

23 I agree that we are here talking about the
24 funding regarding the Good Will-Hinckley School and what
25 has happened or what may or may not have happened;

1 however, when you're trying to build a report for which to
2 make a basis, you have to have a solid foundation.

3 We've talked about process in here several times
4 throughout the course of our hearings and our meetings on
5 this subject. We even talked about it today with Mr.
6 Chadbourne from the Governor's office. And I think it's
7 only appropriate now when we have Mr. Brown in front of us
8 who is a member of the MeANS Board and can give us an
9 indication on the Board's thoughts on the process is
10 equally as important as questioning someone from the
11 Governor's office or any other entity, which is why I
12 would hope that my colleagues on this committee would
13 allow us to agree to vote in favor of my motion to
14 overrule the ruling and continue.

15 SENATOR KATZ: Thank you. Further discussion?
16 The only other thing I would say is to look at the
17 language of our charge, which is that on July 1, this
18 committee directed OPEGA to determine the facts associated
19 with alleged proposed changes to the State's fiscal year
20 2016 and 2017, Department of Education funding for Good
21 Will-Hinckley and the impact of those proposed changes to
22 the school.

23 The charge might have also been to look into the
24 wisdom, or lack thereof, of the hiring decision, but that
25 is not in our charge and that's why I ruled how I have.

1 Before we vote, let me ask, if I could, a
2 question of our Deputy Attorney General whether I get to
3 vote on the motion. Do I get to vote on the --

4 MS. PISTNER: A question for me? Sorry, I was
5 reading the --

6 SENATOR KATZ: That's okay. Do I get to vote on
7 the motion?

8 MS. PISTNER: Yes.

9 SENATOR KATZ: All right. So the motion is to
10 essentially to allow Representative Sanderson and others
11 to continue the line of questioning she was beginning to
12 do. And all in favor of that motion please indicate by
13 raising your hand. You can't vote. One, two, three,
14 four, five. Is that right? I think. Okay.

15 And those opposed? One, two, three, four, five,
16 six -- wait a minute. One, two, three, four, five, six,
17 so it is six to five and I'm going to choose not to vote
18 under those circumstances as it's six to five and the
19 motion would fail anyway.

20 So, Representative Sanderson, please continue
21 with your questions with the ruling in mind.

22 REP. SANDERSON: I have no further questions at
23 this time, Mr. Chair.

24 SENATOR KATZ: Thank you. Other questions of
25 Mr. Brown? Seeing none, thank you very much for being

1 here.

2 THE WITNESS: Thank you all.

3 SENATOR KATZ: And our next invitee is Greg
4 Powell. Good afternoon.

5 MR. POWELL: Good afternoon.

6 SENATOR KATZ: Mr. Powell, could you raise your
7 right hand, please. Do you swear that the testimony
8 you're about to give will be the truth, the whole truth,
9 and nothing but the truth?

10 MR. POWELL: I do.

11 SENATOR KATZ: Thank you.

12 Whereupon,

13 GREG POWELL,
14 having been duly sworn, was examined and testified as
15 follows:

16 SENATOR KATZ: Good afternoon. I know you have
17 not been here the entire day, but we're pleased to have
18 you here. If you could identify yourself, tell us what
19 you do, and make any comments you'd like to make at the
20 beginning, sir.

21 THE WITNESS: Thank you. My name is Greg
22 Powell. I am the Chairman of the Board of Trustees of the
23 Harold Alfond Foundation. I'm also Chief Executive
24 Officer of Dexter Enterprises. And I have no opening
25 statement.

1 SENATOR KATZ: Okay. Questions for Mr. Powell?
2 Representative Sanderson.

3 REP. SANDERSON: Welcome, Mr. Powell. Thank you
4 for being here today.

5 THE WITNESS: Thank you.

6 REP. SANDERSON: I read your letter that you
7 sent to the Hinckley Board. In that letter it expressed
8 concern about funding or the possibility of losing State
9 funding. And it asked to have the opportunity to come up
10 and reassess Good Will-Hinckley's finances, is that
11 correct, in terms of the grant?

12 THE WITNESS: Yes. I think you're correctly
13 characterizing some of the letter.

14 REP. SANDERSON: Thank you. In that letter did
15 you say, "We will be removing funding"?

16 THE WITNESS: I did not, and it was never our
17 intention to send such a message to Good Will-Hinckley.

18 REP. SANDERSON: Thank you.

19 SENATOR KATZ: Other questions? Let me ask you,
20 if I could. On June 5th, it's my understanding you were
21 actually out of state, but got two voicemails; do you
22 recall that?

23 THE WITNESS: They were messages to my office,
24 so I did not get a voicemail, but I was on my way to
25 Arizona in the air.

1 SENATOR KATZ: And the requests were to call Mr.
2 Moore and to call the Governor; is that --

3 THE WITNESS: That's correct.

4 SENATOR KATZ: And you called Mr. Moore on, I
5 think it was June 7th; does that sound right to you?

6 THE WITNESS: Over that weekend I did. I
7 believe it was the 7th, but it could have been the 6th.

8 SENATOR KATZ: Could you tell us what you recall
9 about that conversation?

10 THE WITNESS: Well, what I did was I exchanged
11 calls with him and we left voicemails for each other. I
12 am not confident that we actually had a two-way
13 conversation.

14 SENATOR KATZ: Did you speak with him sometime
15 in the immediate future after that?

16 THE WITNESS: I did, and I believe over the
17 course of that weekend in exchanging messages, or if we
18 spoke, that I understood something of the nature of the
19 controversy that was brewing, so that was my first
20 indication really that there had been controversy brewing
21 about the appointment of the Speaker and the Governor's
22 dissatisfaction with that appointment.

23 SENATOR KATZ: And I think you did actually
24 speak with the Governor on the 8th, that Sunday; does
25 that --

1 THE WITNESS: No. The 8th is actually a Monday.

2 SENATOR KATZ: Sorry.

3 THE WITNESS: And I returned his call on Monday
4 afternoon on my way to Boston and either he called me
5 right back or whatnot.

6 SENATOR KATZ: Can you tell us what you recall
7 about that conversation, please?

8 THE WITNESS: Yes. We exchanged pleasantries.
9 He told me that he was calling because he understood that
10 Good Will-Hinckley had appointed Speaker Mark Eves to be
11 its next president, that he regretted very much that this
12 had been done, and he regretted that he would no longer be
13 able to support the school.

14 He gave me several reasons for why he could no
15 longer support the school. He said something to the
16 effect that in good conscience as the governor of this
17 state that he did not feel he could support an institution
18 that would be led by a person who had been opposed to
19 charter schools when it ran as charter school, that a
20 person who lives so far away from the school he felt might
21 not be at a good position to run the school. He felt that
22 the political nature of the Speaker's connection with the
23 legislature was not a good thing. And he also felt that
24 the Speaker did not have the credentials that were
25 required for a school of this type referring to the

1 current president, Abramson, and the prior president, Glen
2 Cummings, as being very, very well qualified and the
3 Speaker not being so well qualified. Those were his
4 points.

5 SENATOR KATZ: Was there any discussion in that
6 conversation about whether there would be continued State
7 funding or not?

8 THE WITNESS: No. He told me that he could not
9 support the school and he was, in a sense, expressing his
10 regret because we had worked together to help the school
11 and he had been a strong supporter, and I think he felt
12 that he should tell me of his position and what he was
13 going to do.

14 SENATOR KATZ: The word "support," is that a
15 word you think he used or is that your --

16 THE WITNESS: No. He used the word "support"
17 because I understood his support to be moral, public, and
18 being an active promoter of funding. So I was not smart
19 enough at the time to question him in detail about what he
20 meant by support, but I certainly was concerned after the
21 call that part of that support would involve funding.

22 SENATOR KATZ: Now, as that relates to the
23 continued financial support of the Harold Alfond
24 Foundation, within a period of time did you start to
25 become concerned that if the State funding were lost that

1 this might impact on what the position of the foundation
2 might be going forward?

3 THE WITNESS: I was very concerned because this
4 was déjà vu all over again. As some of you may remember,
5 in 2008 the school went into insolvency, and this was
6 largely a result of a shift in State funding away from
7 residential education to a system where foster care was
8 being used for kids that needed, you know, help and a
9 better place to learn and to live. And so our funds that
10 we had in the endowment and otherwise became at risk as
11 the school went into insolvency. And so the school's
12 resurrection from the 2008 insolvency and its climb back
13 to its current state today of doing really good things for
14 Maine kids was very, very much of concern for us. So when
15 I was thinking about, you know, what's going to happen
16 with State funding, it was almost immediately on my mind
17 that this was a risk.

18 SENATOR KATZ: I think you met with Mr. Moore
19 about June 15th for dinner perhaps; do you recall that?

20 THE WITNESS: I did. I did.

21 SENATOR KATZ: And did you discuss with him
22 those concerns you just raised here this afternoon?

23 THE WITNESS: Absolutely.

24 SENATOR KATZ: Okay. And what did he -

25 THE WITNESS: He knew of them, though, because I

1 had asked Jack Moore to help out at Good Will. He's a
2 smart, very intelligent guy from a finance standpoint, and
3 one of the things I wanted him to do was try to work with
4 the Board and to bring people to board to bring financial,
5 you know, stability and sustainability to the operation.

6 SENATOR KATZ: Did you discuss with Mr. Moore at
7 that dinner what you saw as perhaps a downward spiral if
8 the State funding were not received?

9 THE WITNESS: I think he already knew, you know,
10 that this was a serious issue, and the more that people
11 were thinking about it, the more concerned they became
12 because \$500,000 a year, which is what we had sort of
13 concluded was at risk here in the first year, was at least
14 15 percent of the operating budget of Good Will, as a
15 total operation perhaps as much as 20 if you just, you
16 know, narrow it down to the MeANS Academy itself. It's a
17 big chunk of money.

18 SENATOR KATZ: Could you just remind us, the
19 Harold Alfond Foundation had made, I guess commitment
20 would be too strong a word, but an expectation that if
21 certain performance measurements would be met, that there
22 was going to be additional funding from the Harold Alfond
23 Foundation going into 2017/2018. Can you review that for
24 us?

25 THE WITNESS: Sure. Over the past six years or

1 so, we have made grants to the community college and Good
2 Will and just the Good Will part of -- I think the total
3 lifetime is about over -- well, over 10 million dollars.
4 And so in 2014, we actually made a specific grant using a
5 contractual agreement, which I've shared with Beth, in
6 which we agreed to help fund the construction of the Moody
7 School, the expansion of the Moody School, the premise,
8 the financial model, being that in order for Good Will to
9 be sustainable in the future, it had to increase the
10 number of students it served from the 60 and 70 range up
11 to 210.

12 That commitment was based on the school's
13 proposal to us of meeting certain financial goals and
14 aspirations. And there was a lot of conversation about
15 that in the process of making the grant. And so the grant
16 consisted of two parts. The whole grant was 5.5 million
17 dollars, and we advanced the first half of it right up
18 front within a matter of months sometime in 2014. The
19 final slug of it was to be paid in 2019 or sooner
20 depending upon the school's progress in achieving its
21 goals of increasing enrollment to 210 students.

22 All of our grant agreements, usually unless
23 it's, you know, Easter Seals or something, are in the form
24 of agreements. We regard them as contracts. We expect
25 our grantees to do their part. We expect them to live up

1 to the, you know, the business plan that they put for us.

2 SENATOR KATZ: So the concern, I take it, was
3 that without the State funding that perhaps they would not
4 be able to reach those performance measures?

5 THE WITNESS: Yes. More importantly, we care
6 deeply about this institution. Over 6,000 lives have been
7 changed by what Good Will-Hinckley does. And if they got
8 off track and they didn't continue to grow and we've
9 already spent 2.75 million dollars to expand the Moody
10 School so they could accommodate 210 students, I wanted to
11 know what the plan was going to be.

12 SENATOR KATZ: And did those concerns cause you
13 to write Mr. Moore the letter dated June 18th that we have
14 here?

15 THE WITNESS: Yes.

16 SENATOR KATZ: And essentially, what message
17 were you attempting to convey by that letter?

18 THE WITNESS: Well, I wanted Jack and his board
19 to understand our concern. I wanted them to move forward
20 in a way that would be as positive as possible for the
21 institution. I wanted them to take it seriously, and we
22 wanted to help. And for that reason, the second part of
23 my letter was to tell them that we had engaged a
24 consultant to come back in, look at the financial model,
25 maybe still -- what are the options here to deal with the

1 lack of funding, how could be funding be replaced some
2 other way. Any and all were up for grabs and to report
3 back to me and my board as to what the plan was if
4 \$500,000 a year for the next couple years was not going to
5 be there.

6 SENATOR KATZ: And after you sent that letter,
7 what other communications did you have with Mr. Moore or
8 anyone else from the Hinckley Board about their plan?

9 THE WITNESS: I really didn't have a lot of
10 contact with folks at Good Will other than Jack Moore. He
11 was the Chairman of the Board and he was reporting in to
12 me, but as far as Jack is concerned, he was keeping me up
13 to date on what the deliberation process was, what
14 considerations the Board was undertaking to try to deal
15 with the situation and, obviously, I was reading the
16 press, so --

17 SENATOR KATZ: Did Mr. Moore discuss with you
18 the dilemma that they were in in terms of whether to
19 continue their relationship with the Speaker?

20 THE WITNESS: He did. He advised me that there
21 were a whole bunch of options that were being considered,
22 everything from getting the Speaker and the Governor
23 together to try to resolve things to having, you know,
24 funding from another source to how, you know, would we
25 operate the school and turn away kids that couldn't afford

1 to pay for -- I mean, all of the options were on the
2 table.

3 The progression increasingly, I think, moved
4 toward the question of whether, you know, the Speaker
5 would stay in his position, and I think one option was,
6 obviously, that the Speaker and he would agree that it
7 would be better if he didn't move forward with employment
8 and just to simply put the school's interest first. And
9 so that was clearly part of the conversation as well. And
10 he was reporting to me on how, you know, that process was
11 going forward.

12 SENATOR KATZ: Okay. Mr. Moore told us that his
13 impression after his conversations with you was that if
14 the State funding wasn't received that the Harold Alfond
15 Foundation 2.75 million dollars that was still due might
16 be in some kind of jeopardy because of the reasons you've
17 stated here this afternoon. Is that a fair conclusion on
18 his behalf?

19 THE WITNESS: I think it was a conservative
20 cautious conclusion that he recognized, as all our
21 grantees do, or should, that if they don't meet their end
22 of the bargain, okay, you can't expect us to step forward
23 and fund.

24 Having said that, because there's been a lot of
25 misrepresentation about our position in the press, I want

1 everyone to know that we want all our grantees to succeed,
2 and we usually do everything we can to see that they
3 succeed. And at no time did my board ever say, "We're
4 not going to give you the money. We're going to let you
5 go down the hole" or whatever. We were concerned about
6 what is the plan, what is your plan to do with this, and
7 we expected, frankly, the State to do its part.

8 I mean, these are people that can't afford to,
9 you know, to have the education that they need to prosper,
10 and so the withdrawal of funding was not a good thing and
11 so we wanted to know what the plan was.

12 SENATOR KATZ: Beside the conversation you had
13 with the Governor on June 8th, did you have any other
14 conversations with the Governor on this topic?

15 THE WITNESS: No, I did not.

16 SENATOR KATZ: Or anybody else from the
17 administration?

18 THE WITNESS: I did not.

19 SENATOR KATZ: Thank you, Mr. Powell. Other
20 questions for Mr. Powell? Representative Mastraccio.

21 REP. MASTRACCIO: Thank you, Mr. Chair. Thanks
22 for coming, Mr. Powell.

23 The conversation that you had with the Governor,
24 was it like one where the Governor did most of the talking
25 or did you respond to his concerns or answer any of them

1 or was it mostly just a listening kind of conversation?

2 THE WITNESS: It was mostly him talking.

3 REP. MASTRACCIO: And Mr. Abramson characterized
4 the conversation that he had with the Governor as one in
5 which the Governor said some not very nice things about
6 the Speaker and kind of, you know, went into the details
7 of why he didn't like him or why he didn't think he
8 should be in the position. Would you say it was the same
9 kind of phone call that you had?

10 THE WITNESS: Well, he did not -- I don't think
11 he spoke disparagingly of the Speaker with the possible
12 exception of describing his educational skills as being
13 (indiscernible) in a thimble I think was the term he used,
14 so other than that, I mean, he listed, you know, reasons
15 that I think have been or probably rehashed with this
16 committee a number of times.

17 REP. MASTRACCIO: So how did you respond to him?

18 THE WITNESS: Well, at this point, I was a
19 little flat-footed. I had been visiting a friend who was
20 basically in his last days dying of cancer and so the
21 perspective of things was a little different for me at
22 that point, so I told him that, you know, that the school
23 was my first interest and that I doubted very much if
24 anyone at Good Will was disrespectful or ungrateful for
25 the support that he and, frankly, the legislature had

1 extended the school and that I did not know anything about
2 the hiring of Speaker Eves. I didn't know anything about
3 the points that he was making about Speaker Eves. And
4 so --

5 REP. MASTRACCIO: Did you make him any promises,
6 "I'll look into it" or "Thank you for calling, Governor.
7 Goodbye"?

8 THE WITNESS: No. As a matter of fact, what he
9 said to me was that the contract had been already signed
10 and it was like -- so "I'm calling you, Greg, because I'm
11 just not going to support this, and I know how much money
12 and time," you know, "Mr. Alfond and then his foundation
13 had invested in the school," so it was kind of like, you
14 know, "I regret," you know, "what's happening here."

15 REP. MASTRACCIO: So what did you get out of
16 that, I guess? What was the point of his phone call then
17 because he's the only one from the administration that you
18 spoke with? You're out here, I mean, I'm trying to
19 connect what that has to do with the other unless it is
20 that whole domino effect, so I'm interested in your
21 assessment of what the point of that phone call was.

22 THE WITNESS: I think that for me, the context
23 was that for many years, since he'd been in office, I had
24 talked with him about the school, and I knew he was
25 passionate about the school and wanted to see it succeed

1 and to support it. And he was taking a potion now that
2 was pretty darn tough, and he was withdrawing his support.
3 He wasn't really telling me what that meant in the call,
4 but you know, support from the State government has been
5 an issue that our foundation has been familiar with for
6 years, all right, so I was concerned, and just felt as if
7 it was a call that was personal as much as anything to
8 say, you know, "We've been partnered in trying to help the
9 school. I'm pulling out of the partnership for the
10 reasons that I have stated."

11 REP. MASTRACCIO: So support equals money?

12 THE WITNESS: That's what I came to believe.

13 REP. MASTRACCIO: That's what I'm asking.

14 THE WITNESS: Yes.

15 SENATOR KATZ: Thank you, Representative.

16 Representative Campbell.

17 REP. CAMPBELL: Thank you, Mr. Powell, for
18 coming, and thank you for what the foundation does at
19 Dexter. Harold and Bibby, just a wonderful asset for the
20 community. Thank you so much.

21 The thread of the day from my perspective is one
22 of -- we seem to be speaking in code. It appears that
23 never once funding was mentioned from anybody's
24 perspective, yet the impression that everybody got from
25 the communications, or maybe even body language, was that

1 funding was going to be withheld, but in fact, as we
2 talked to Mr. Desjardin, it doesn't appear that it was in
3 terms of sequence timeline or even the big picture. And
4 then we heard out and about that you were withholding
5 funding, but, in fact, you didn't say that and you didn't
6 imply that, really. It's just what's your business plan,
7 how are we going to overcome this together. So, yeah, I
8 don't know if there's a question in that, but what's your
9 perspective on speaking in code?

10 THE WITNESS: I can't vouch for other folks.
11 All I can tell you is that it's very, very clear in my
12 mind today, it's clear in my board who have now been fully
13 briefed on this and whatever that we had never concluded
14 that we were going to pull funding. We had never intended
15 to communicate that. We hadn't even had a meeting to talk
16 about the circumstance to decide what we were going to do,
17 but one thing my board does expect of me is to know the
18 facts, and I got to know if the funding is not going to be
19 there what's the plan and I don't want to wait until
20 they're already dead to ask them how to, you know -- you
21 know, one resurrection is enough, all right, and we had
22 that in 2009, so we didn't want to see it happen again,
23 so --

24 SENATOR KATZ: Thank you. Representative
25 Sanderson.

1 REP. SANDERSON: Thank you.

2 The Alford Foundation has been working in a
3 partnership, if you will, you and the Governor on the Good
4 Will-Hinckley School since the 125th, since he was first
5 elected and came in, correct?

6 THE WITNESS: Right, that's true.

7 REP. SANDERSON: Trying to resurrect the school.

8 THE WITNESS: And with you folks.

9 REP. SANDERSON: Yes.

10 THE WITNESS: I mean, you've been part of it.
11 You voted for appropriations for which we're very
12 grateful, so thank you for your partnership.

13 REP. SANDERSON: You're very welcome. So
14 when --

15 THE WITNESS: I hope it continues.

16 REP. SANDERSON: Quite frankly, so do I. And it
17 is no secret the Governor has been a huge supporter of the
18 school, and I just wanted to clarify that support in this
19 case does not just mean funding as you stated. When you
20 initially spoke to the Governor, did you mean to say, and
21 this is how I took it and I just want to clarify that,
22 that the support was for the actual school itself, the
23 goal of the school, and if they were going to -- which
24 he's always been a huge, you know, wrapped his arms around
25 it and then a huge advocate for, that he was just not

1 going to do that anymore, not just funding?

2 THE WITNESS: I think the -- what the Governor
3 was thinking I don't know. All I can tell you is what he
4 said.

5 REP. SANDERSON: What was your impression?

6 THE WITNESS: What he said to me is, "I can't in
7 good conscience as Governor of this state continue to
8 support a school where the CEO is an opponent of charter
9 schools, lives a long way away from the town, and is not,"
10 in his opinion, "qualified." I have no way of knowing
11 whether Speaker Eves was qualified or not. I had no idea
12 that he had been picked until I think I got a voicemail
13 from Jack Moore over that weekend saying that that's what
14 they've done and the Governor was unhappy, so -- am I
15 answering your question?

16 REP. SANDERSON: Yeah, you are. In respect to
17 the financial stability of the school, when the school
18 applied for your grant, were you aware of the two-year
19 plan that they had submitted the year prior to essentially
20 get off the State funds?

21 THE WITNESS: I was aware of a couple of things.
22 First, we made a grant of, I think it was about 10.2
23 million dollars to Good Will and the community college in
24 2011, and at that time State funding was also part of the
25 picture, and it was for the residential part of the

1 program. And in that grant agreement, one of the
2 requirements for Good Will was to continue to have that
3 government funding for residential programming. It was
4 absolutely critical to the school.

5 The school's history, for those of you who don't
6 know, was it was a home first, okay, and it was an
7 education home, so the concept of having statewide reach,
8 kids from all over the state can come to Good Will and
9 when they come from, you know, Kittery, they got to have a
10 place to live, so back in 2011, I think that's when it was
11 when we made that grant agreement, we explicitly stated
12 that, you know, that residential funding was part of the
13 picture. And that was something that Glen had worked on
14 and since then other CEOs of the school have worked on.
15 So by the time we got to the next grant, we're removing
16 the Moody School, it was part of the picture. It was part
17 of the funding, the revenue stream for the school, and we
18 expected it to continue for a couple more years, and now
19 to your point, with the understanding that it would be
20 weaned off at some point in time. And I think the idea
21 was that with this latest budget, that was going to be the
22 next couple of years of it and then, hopefully, they'd
23 have a plan to replace it with outside funding.

24 REP. SANDERSON: So in clarification, the first
25 funding was the initial 750,000 per year that the Governor

1 proposed for supporting, but it got whittled down to 300-
2 and-some-odd thousand?

3 THE WITNESS: That was back in the 2011/12/13
4 period, right.

5 REP. SANDERSON: And then it was subsequently
6 increased--

7 THE WITNESS: Right.

8 REP. SANDERSON: -- to the 530,000 per year in
9 the next biennial budget.

10 THE WITNESS: Right.

11 REP. SANDERSON: And at that time I believe
12 there were conversations as per the report that that money
13 was going to be ending. They hadn't planned to put it
14 into the '14/15 budget, and then the Good Will-Hinckley
15 Board presented a two-year weaning business plan, if you
16 would, to be independent of the State money after the
17 '14/15 budget.

18 THE WITNESS: I'm confused on dates. My
19 understanding was this would continue for two years up
20 until next year as well. The funding would continue.
21 That was the understanding.

22 REP. SANDERSON: That's under the current
23 contract that they just signed.

24 THE WITNESS: Right, okay.

25 REP. SANDERSON: Okay?

1 THE WITNESS: Yeah. Some of this I'm not, you
2 know -- this is more from the Good Will side. They would
3 be able to tell you, but all I can tell you is what our
4 understanding and the conditions were for our grant
5 agreement, which really required State funding, and our
6 consultant had said that stabilization of that revenue
7 stream or finding a replacement was a challenge for the
8 school that it needed to meet, and we expected it to meet
9 the challenge.

10 REP. SANDERSON: Thank you.

11 SENATOR KATZ: Thank you, Representative. Other
12 questions? Chairman Kruger and then Representative
13 Duchesne.

14 REP. KRUGER: Thank you, and thank you very much
15 for coming, Mr. Powell. Really appreciate it.

16 If point A is the Governor can't abide the Good
17 Will-Hinckley hiring decision and point B is the Harold
18 Alford Foundation pulls a significantly more larger amount
19 of money from Good Will-Hinckley, how did we get, how did
20 you get from point A to point B?

21 THE WITNESS: We didn't get to point B. We
22 never pulled money, and we never said we were going to
23 pull money.

24 REP. KRUGER: Then how -- oh, so it was just the
25 thread of the possibility of it that caused Good Will

1 to --

2 THE WITNESS: No. Maybe I'm misunderstanding
3 your question. The Harold Alfond Foundation never
4 threatened to pull our funding. What happened was the
5 Governor said he was withdrawing support, and I spent a
6 week or so trying to figure out what that really meant.

7 REP. KRUGER: Right.

8 THE WITNESS: And when I was satisfied that it
9 likely meant that nobody was going to patch up and make
10 things work, at that point I was worried because there was
11 a million dollars or more over the next two years that
12 wasn't going to come to the school's way, and so that's
13 why I wrote the letter. But in my letter I was, I mean, I
14 wanted to be clear in the letter and I've been clear. We
15 put it out on our webpage and whatnot that we did --

16 My board had never met. We had never decided to
17 pull funding. We were just doing what's in our contract.
18 Our contract says, "We're going to give you this money.
19 We expect you to keep your budget and your enrollment,
20 growing enrollment, reaching more kids. We don't want to
21 expand the Moody School and then not have the kids to fill
22 it."

23 REP. KRUGER: Thank you.

24 SENATOR KATZ: Thank you. Representative
25 Duchesne.

1 REP. DUCHESNE: Thank you very much, Senator.

2 I guess I want to make sure the statement that's
3 in the OPEGA report is accurate. And basically, it says
4 that by the time the June 18th letter was sent, it was
5 clear the support was the \$530,000. Initially, you had
6 the Governor's disappointment, and then it becomes clear
7 that we're talking the money is going to go away. What
8 was it that allowed you to conclude that, "Yeah, we're
9 talking about the money"?

10 THE WITNESS: Even at the time I wrote the
11 letter, you may have noted from my letter I used the word
12 "likely." I thought somehow maybe people could fix it
13 because the school, to me, was the most important thing.
14 And I thought, you know, wouldn't this be nice if we could
15 still get the money, so it was likely. But it seemed to
16 me that based on the investigation that I did, the people
17 that I talked to, that it was within the Governor's, you
18 know, range of possibilities that he would not support the
19 school. And there was conversation between me and Jack
20 Moore. I called Glen Cummings to talk with him about it a
21 little bit, you know. And I arrived at the conclusion
22 that this was something that was very likely to happen,
23 and for that reason, I wrote the letter.

24 REP. DUCHESNE: And that's because everybody you
25 talked to said, "Yeah, we're probably talking about the

1 money"?

2 THE WITNESS: Yeah.

3 REP. DUCHESNE: Yeah, okay, thanks.

4 THE WITNESS: But, I mean, don't want to mislead
5 you. I thought about the money, too. It was almost, you
6 know, I wasn't quick enough to say, "Well, Governor, what
7 are we talking about in dollars?" I mean, I didn't do
8 that on the call. I should have probably, but I didn't.

9 SENATOR KATZ: Thank you. Senator Diamond.

10 SENATOR DIAMOND: Thank you, Mr. Chairman. Nice
11 to see you again, Greg. Been a while.

12 THE WITNESS: Nice to see you.

13 SENATOR DIAMOND: Based on what you and the --
14 first-off, is the board, your board, a citizen board just
15 appointed by whomever, I mean, how does your board create
16 itself?

17 THE WITNESS: Well, our board was selected by
18 Mr. Alfond, and we had to add a few others.

19 SENATOR DIAMOND: Over time.

20 THE WITNESS: He wasn't around. There was a lot
21 more work to do, so it was a lot harder to get the work
22 done.

23 SENATOR DIAMOND: Would it be fair to say that
24 your understanding and the Board's understanding that
25 without the \$530,000 the school probably would not

1 survive?

2 THE WITNESS: No. I think it would have
3 survived, but it wouldn't have kept on track, and it would
4 have been a concern because it would have wasted our
5 money. You know, we already spent 2.7 million dollars.
6 The school had already incurred major costs to expand the
7 Moody School and it wouldn't have the kids to fill it, so
8 we wanted to see them -- we wanted to find out where
9 they're going to get 500,000 if the legislature didn't
10 give them, you know, the 500,000. And if there was going
11 to be delay in getting the 500,000, what was the plan, you
12 know, how would we move forward. That's what we wanted to
13 know.

14 SENATOR DIAMOND: And without that plan, you saw
15 it spiraling down --

16 THE WITNESS: Yes.

17 SENATOR DIAMOND: Because the plan would include
18 a replacement of the \$530,000?

19 THE WITNESS: Or it would require compromises in
20 the way the school did business, and it certainly would
21 have made it much more difficult to get 210 students which
22 under the business models was where they needed to be in
23 order to be self-sustaining and, you know, without further
24 State support.

25 SENATOR DIAMOND: What would have been your

1 timeframe for that plan?

2 THE WITNESS: I thought two years, which was the
3 -- and even then, I mean, I can't tell you this day that
4 the school might not, you know, need help. I mean, not
5 every plan is perfect, but that was what we were relying
6 on and that's why we entered the grant agreement that we
7 did and did it the way we did it.

8 SENATOR DIAMOND: Thanks, Greg.

9 SENATOR KATZ: Thank you. Other questions for
10 Mr. Powell? Seeing none, thank you very much for being
11 here. It's nice to see you again.

12 THE WITNESS: Thank you. Appreciate it.

13 SENATOR KATZ: Sorry? Yes, I'm sorry, did you
14 produce all the documents you were requested to through
15 the invitation to be here?

16 THE WITNESS: I did.

17 SENATOR KATZ: Thank you very much.

18 All right, we have now completed our list of
19 people we have either subpoenaed or asked to come here
20 today, so the statute, or our rules at least, do provide
21 for an opportunity for our committee to ask to recall any
22 witnesses who have previously testified. I'm not sure all
23 of them are here. Is there any such request from the
24 Committee? And I'm seeing none.

25 Our rules also provide that anyone who has

1 testified here today would now have an opportunity to
2 provide further or clarify any information for the
3 Committee. Is there anyone here who has testified who
4 would like to provide any further or clarify any
5 information to the Committee? Seeing none.

6 The next matter on our agenda then is to vote on
7 what the record is going to be of this hearing, and is
8 there a motion with respect to that? Chairman Kruger.

9 REP. KRUGER: Yes, thank you, Mr. Chair.

10 In accordance with Title 3, Section 429, I would
11 move that testimony shall be released only as a full audio
12 recording of the testimony today.

13 SENATOR KATZ: Is there a second to that motion?
14 Seconded by Representative Mastraccio. Is there a
15 discussion with respect to that motion? Senator Johnson.

16 SENATOR JOHNSON: Thank you, Mr. Chair.

17 Just so I can understand the decision we're
18 making, what are the alternatives to that (indiscernible)?

19 SENATOR KATZ: Well, another alternative might
20 be that at the expense of the OPEGA budget, we could
21 decide to have a full transcript prepared, which would
22 probably at a cost in the thousands of dollars, not the
23 hundreds. If anybody else wants to have such a transcript
24 made, they can certainly access the audiotape themselves
25 and have it made, but the query whether it's a wise use of

1 taxpayer money for us to be doing what we don't need to.
2 Senator Johnson.

3 SENATOR JOHNSON: And that makes sense to me. I
4 wonder whether if someone does wish to cover the cost of
5 transcription we might then be able to make that available
6 to others. Our motion as it stands I think would preclude
7 doing that.

8 SENATOR KATZ: I don't think so because we're
9 making this the official record of the hearing, so the
10 official record would be, I think by definition, available
11 to anybody.

12 SENATOR JOHNSON: Great, thank you.

13 SENATOR KATZ: Representative Sanderson.

14 REP. SANDERSON: And once that is released as
15 audio, that means anybody who chooses to may disseminate
16 that information in any form of media they wish?

17 SENATOR KATZ: Absolutely. Further discussion
18 on the motion? All in favor of the pending motion, please
19 indicate. All opposed? It's unanimous.

20 So we're now at the point where we -- there
21 could be in a sense a work session to discuss the
22 testimony we've heard, to ask staff any questions we wish
23 to, and then to decide what, if any, further action the
24 Committee is going to take.

25 It is now 5 minutes past 4, and I know a number

1 of people have commitments in the not-too-distant future
2 here, so what is the pleasure of the Committee? I might
3 suggest that perhaps we adjourn for today and re-meet
4 sometime soon, not at our next scheduled meeting, but at a
5 special meeting to discuss those things and to conclude
6 this matter so we can move on to the other important work
7 this committee has before it.

8 Moved by Representative Campbell that we recess
9 for the day and discuss reconvening with the Committee at
10 an early opportunity. Is there a second?

11 SENATOR DIAMOND: Second.

12 SENATOR KATZ: Discussion of the motion?
13 Representative Mastraccio and Representative Burns.

14 REP. MASTRACCIO: I just want to say that I
15 won't be back in the country after Saturday until December
16 3rd.

17 SENATOR KATZ: Okay. Other discussion on the
18 motion? Senator Burns, I'm sorry.

19 SENATOR BURNS: Thank you, Senator.

20 I was just going to make a pitch for next week,
21 but after Representative Mastraccio, I don't want to see
22 us reconvene on this unless every one of us is here. I
23 think that's extremely important. And the Senate is
24 coming in on the 19th, so I saw this as an opportunity the
25 day before, to my benefit, but that's not going to happen,

1 so --

2 REP. MASTRACCIO: I'm willing to come as soon as
3 I get back, and I can come on December 3rd.

4 SENATOR KATZ: Okay.

5 SENATOR BURNS: So I would defer to when we all
6 convene.

7 SENATOR KATZ: Okay. Well, December 3rd is
8 Thursday. Do people have their calendars with them so we
9 could see if that works now.

10 REP. MASTRACCIO: I'll be back the night before,
11 so I'll get myself up here.

12 SENATOR KATZ: Can people take a look at their
13 calendars and see? Just wait a moment here while people
14 look.

15 UNIDENTIFIED SPEAKER: I'm good.

16 UNIDENTIFIED SPEAKER: Would it be in the
17 morning?

18 SENATOR KATZ: It would be in the morning.
19 Senator Davis.

20 SENATOR DAVIS: Is that the only item we're
21 going to have?

22 SENATOR KATZ: On that day? I believe it would
23 be. Okay. Representative Sanderson, you all right?

24 REP. SANDERSON: (No audible response)

25 SENATOR KATZ: Senator Burns?

1 SENATOR BURNS: Thank you. Is the Chair aware
2 of any other days that we're going to be here in December?

3 SENATOR KATZ: I'm not.

4 SENATOR BURNS: As a legislature.

5 SENATOR KATZ: I am not.

6 SENATOR BURNS: Okay.

7 SENATOR KATZ: There is a bill-signing day. The
8 17th? Bill-signing day is December 17th, but that is over
9 a month from now.

10 All right, so we will reconvene on December 3rd
11 at 9 o'clock. Is that the pleasure of the group?

12 SENATOR BURNS: Question, is this going to be
13 our December meeting or are we going to have another
14 meeting in December as well?

15 UNIDENTIFIED SPEAKER: That's a good question.

16 UNIDENTIFIED SPEAKER: We got work to do.

17 SENATOR KATZ: Beth, do you want to weigh in on
18 that, please?

19 MS. ASHCROFT: Well, you have a lot of pending
20 work that has been sitting, and I don't know, you know,
21 it's always nice to get as much done in the interim as we
22 can because once you get back in session it's sometimes
23 hard to push through that.

24 You have yet to hear from Judge Wathen and
25 Superintendent Pepper about the Riverview session. We

1 have a discussion about economic development programs that
2 we started. You still have not talked about New Markets
3 Tax Credit and what you want to do about that. There's
4 one other thing that I'm not remembering right at the
5 moment, but I think I have at least five items that you
6 could work on.

7 SENATOR KATZ: Well, with the idea that I don't
8 think that this is going to take more than the morning to
9 conclude, I would hope, so why don't we ask Beth to put
10 out a full agenda for our consideration for the 3rd.

11 Other issues? Yes, Representative Duchesne.

12 REP. DUCHESNE: Thank you. You'll hate this
13 thought, but we don't all have to be here for discussion
14 on some of the other issues. If we were to meet while
15 Representative Mastraccio is in Italy, we could get some
16 work done prior to our next meeting, and I'm just throwing
17 that out for your consideration.

18 SENATOR KATZ: You were accurate in your guess,
19 at least as far I'm concerned. I'm not hearing a lot of
20 enthusiasm. Senator Diamond.

21 SENATOR DIAMOND: Mr. Chairman, do we have a
22 date in December, it slipped my mind, for a regular
23 meeting?

24 UNIDENTIFIED SPEAKER: No, other than
25 (indiscernible).

1 SENATOR DIAMOND: Okay. So if we met on the
2 3rd, did some of those things on the 3rd after we have our
3 primary purpose for the meeting, and then another time in
4 December we can finish up the rest of it, would that make
5 sense?

6 SENATOR KATZ: Why don't we do that. We'll try
7 to do it all in one day. Representative Sanderson.

8 REP. SANDERSON: Rather than two days for --
9 especially those who have to travel, not many here are as
10 fortunate as Senator Katz and I who just live right around
11 the corner, that I would rather do just one long day and
12 get it done.

13 UNIDENTIFIED SPEAKER: Are there any holidays in
14 December?

15 SENATOR KATZ: Yes, there is Hanukah. There is
16 a holiday in December.

17 So December 3rd we'll have -- plan a full day.

18 REP. SANDERSON: We'll put the priority things
19 on, and if the rest rolls over to January, we'll be all
20 right.

21 UNIDENTIFIED SPEAKER: Okay, sounds good.

22 SENATOR KATZ: Okay. So that's what we'll plan
23 on. So anything else to come before us this afternoon,
24 Beth?

25 MS. ASHCROFT: No, nothing from me.

1 SENATOR KATZ: All right. Then we will -- is
2 there a motion to adjourn?

3 REP. DUCHESNE: Motion.

4 SENATOR KATZ: Second?

5 SENATOR BURNS: Seconded.

6 SENATOR KATZ: All in favor? Call this meeting
7 of the Government Oversight Committee -- hold on, hold on.

8 MS. ASHCROFT: Oh, sorry, sorry, sorry, whoa,
9 whoa, whoa, whoa.

10 UNIDENTIFIED SPEAKER: No, we already adjourned.

11 MS. ASHCROFT: Etta reminded me you have not
12 voted on the meeting summary from last meeting. If you
13 would just so we could get it posed.

14 SENATOR KATZ: Moved by Senator Burns and
15 seconded by Representative Campbell. All in favor? We
16 just have a motion to adjourn today. We've set the
17 meeting.

18 All right, all in favor of adjournment? The
19 Government Oversight Committee is adjourned.

20 (Whereupon the above-entitled proceedings were
21 concluded this date.)
22
23
24
25

1 ATTEST:

2 I hereby certify that the foregoing is a true
3 transcript of a digital recording of a hearing held in
4 this case.

5 Gloria A. Veilleux, Transcriber

6 *Gloria Veilleux*

7 _____
8 Alley & Morrisette Reporting Service

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