#### THE UNITED STATES DISTRICT COURT FOR THE WESTRN DISTRICT OF NORTH CAROLINA

WNC CITIZENS FOR EQUALITY, INC.,	)
Plaintiff,	) )
v.	) )
CITY OF ASHEVILLE,	)
DEBRA CAMPBELL, City Manager	)
Of City of Asheville,	)
THE ASHEVILLE CITY SCHOOLS	)
FOUNDATION, and COPLAND ARNOLD	)
RUDOLPH, Executive Director of	)
Asheville City Schools Foundation	)
Defendants.	) )
	,

#### **COMPLAINT**

Plaintiff WNC Citizens for Equality, Inc., by counsel, brings this action against

Defendants City of Asheville, Asheville City Manager Debra Campbell, The Asheville City

Schools Foundation, and its executive director Copland Arnold Rudolph for violating its

members' rights to equal protection under the Fourteenth Amendment of the U.S. Constitution

and violation of its members' rights to equal protection and freedom from racial discrimination

under the North Carolina Constitution. Plaintiff's members include students within Asheville

City Schools who are ineligible for a City of Asheville-funded scholarship only because they are

not Black. As grounds therefor, Plaintiff alleges as follows:

#### JURISDICTION AND VENUE

1. The Court has jurisdiction of this lawsuit under 28 U.S.C. §§ 1331 and 1343(a)(3) because this action raises federal questions and seeks to redress the deprivation of rights under

the Fourteenth Amendment to the U.S. Constitution pursuant to 42 U.S.C. §§ 1983 and 1985. The Court has supplemental jurisdiction of the North Carolina constitutional claim pursuant to 28 U.S.C. § 1367 as the claim is so related as to form part of the same case or controversy under Article III of the U.S. Constitution.

- 2. Venue is proper under 28 U.S.C. § 1391(b)(2).
- 3. Declaratory relief is authorized by 28 U.S.C. §§ 2201 and 2202. A declaration of the law is necessary and appropriate to determine the parties' respective rights and duties.
  - 4. Injunctive relief is authorized by 28 U.S.C. § 2202.

#### **PARTIES**

- 5. Plaintiff WNC Citizens for Equality, Inc. is a corporate entity duly organized under the laws of North Carolina, with its principal place of business in North Carolina, whose members object to discrimination by the City of Asheville on the basis of race. Among its members are at least three Asheville High School students ("Student Members") who have affirmed they would apply for the City of Asheville Scholarship if they were eligible. *See* Exhibit 1 (Declaration of Dr. Carl Mumpower, president of WNC Citizens for Equality, Inc.). The Student Members are ineligible to apply for the City of Asheville Scholarship because they are not Black.
- 6. Defendant City of Asheville is a North Carolina municipal corporation organized and existing under the laws of the State of North Carolina. The City of Asheville operates a public school system, Asheville City Schools, pursuant to N.C.G.S. Chapter 115C, for the educational benefit of its citizenry.

- 7. Defendant Debra Campbell is the City Manager of the City of Asheville. As City Manager, Defendant Campbell oversees day-to-day city operations and executes Councilestablished laws and policies. The city manager also is supposed to ensure the entire community is being served. Defendant Campbell signed an agreement with the Asheville City Schools Foundation for it to administer the scholarship program and is responsible for seeing that the funds are used consistent with that agreement. Defendant Campbell is being sued in her official capacity.
- 8. Defendant The Asheville City Schools Foundation ("ACSF") is a nonprofit organization whose stated purpose is the educational success for all students of the Asheville City School system. The City of Asheville contracted with ACSF to administer its scholarship program. In addition to the City of Asheville's scholarship program, ACSF provides for the education of the City of Asheville's staff, employees, and students within the City of Asheville school system; works to ensure that the racial makeup of City employees/staff is within the City's desired ranges; works to ensure that the City's employees are properly trained and qualified; and attempts to increase diversity within the City's school system. ACSF's website states that it was founded "by parents, community members, and school personnel to increase local support for public education."
- 9. Copland Arnold Rudolph is the executive director of ACSF which administers the City of Asheville's scholarship program and other activities and is being sued in that capacity.

#### STATEMENT OF FACTS

10. On May 5, 2021, the City of Asheville entered into an agreement with ACSF to establish and administer the City of Asheville Scholarship Fund. *See* attached Exhibits 2 and 3. The program is to award two types of scholarships. The first scholarship is to be "awarded in

perpetuity to Black high school students within Asheville City Schools, with special consideration given for Black students pursuing a career in education." This scholarship is known as the "City of Asheville Scholarship." The second scholarship is to be directed to "Black, Indigenous, or People of Color" who are educators or staff of Asheville City Schools and who are pursuing further education or certification. While both scholarships constitute illegal discrimination, only the "City of Asheville Scholarship" is being challenged here.

- 11. The funds provided by the City of Asheville for the City of Asheville Scholarship came from the settlement of an unrelated lawsuit. On April 13, 2021, the Asheville City Council directed the City Manager and City Attorney to effectuate a "donation" of \$474,592.56 to ACSF. The City Council stated that it expected the funds would be used "in such a way as to provide the public benefit of advancing racial equity within the community." *See* attached Exhibits 2 and 3. A later smaller donation also was made by the City of Asheville to ACSF for the same purpose.
- 12. The agreement between the City of Asheville and ACSF governs the terms and conditions under which the City of Asheville Scholarship is awarded. Among other terms and conditions under which the City of Asheville controls the program, ACSF must provide twice annual written reports on the use of the funds to the Asheville City Council. Furthermore, the City of Asheville has the authority to demand the return of any funds provided to ACSF should ACSF fail "to utilize the funds in the manner and for the purpose herein described."
- 13. According to ACSF's website, the first City of Asheville Scholarship was awarded in May 2021. ACSF will begin accepting applications on November 1, 2021 and through January 31, 2022 for the next City of Asheville Scholarship to be awarded. Pursuant to a press release issued by the City of Asheville, the City of Asheville Scholarship will continue to

be awarded twice annually until funds have been exhausted (or two years following the date of donation), whichever comes first. *See* Exhibits 4, 5 and 6.

- 14. Plaintiff's Student Members are Asheville High School students and, if eligible, would apply for the City of Asheville Scholarship.
  - 15. Plaintiff's Student Members are ineligible because they are not Black.

#### COUNT I (42 U.S.C. § 1983 - EQUAL PROTECTION)

- 16. Plaintiff realleges paragraphs 1-15 as if fully stated herein.
- 17. Defendants, acting under color of North Carolina law, have adopted a policy and are purposefully discriminating against Plaintiff's Student Members because of their race because only Black students are eligible for the City of Asheville Scholarship.
- 18. ACSF's involvement in accepting funding, establishing, and administering the City of Asheville Scholarship entwines itself with the City of Asheville's government action, and ACSF is a state actor with regard to its actions as alleged herein. A sufficiently close nexus exists between Defendants in the distribution of funds for the benefit of the City's employees and students of the City's school system memorialized in the agreements and statements between Defendants. The City has provided significant encouragement to ACSF's actions by funding the City of Asheville Scholarship and directing ACSF precisely as to how and to whom the scholarship shall be awarded, including requiring that ACSF discriminate against persons on the basis of race. ACSF has exercised powers that are traditionally the exclusive prerogative of the state.
- 19. Plaintiff's Student Members are being irreparably harmed by Defendants' deprivation of their rights to equal protection, and they will continue to be irreparably harmed unless Defendants' unlawful conduct is enjoined.

20. Plaintiff's Student Members have no adequate remedy at law.

#### COUNT II (42 U.S.C. § 1985 – CONSPIRACY)

- 21. Plaintiff realleges paragraphs 1-20 as if fully set forth herein.
- 22. Defendants have entered an agreement and conspired with each other for the purpose of depriving persons, including Plaintiff's Student Members, of the equal protection of the law.
- 23. Defendants have acted in furtherance of this conspiracy by their actions, including the establishment and funding of the City of Asheville Scholarship and expressly discriminating against Plaintiff's Student Members based on their race.
- 24. Defendants have injured and deprived Plaintiff's Student Members of their rights as citizens of the United States.

## COUNT III (VIOLATION OF NORTH CAROLINA CONSTITUTIONAL RIGHTS Violation of Equal Protection and Unlawful Discrimination)

- 25. Plaintiff realleges paragraphs 1-24 as if fully stated herein.
- 26. Article I, Section 19 of the North Carolina Constitution provides: "No person shall be denied the equal protection of the laws; nor shall any person be subjected to discrimination by the State because of race, color, religion or national origin."
- 27. Defendants' actions in establishing, funding, and administering the Asheville City Scholarship, and specifically in discriminating against individuals on the basis of race, violates Article I, Section 19 of the North Carolina Constitution by denying Plaintiff's Student Members equal protection under the law.
  - 28. Plaintiff's Student Members have no adequate remedy at law.

WHEREFORE, Plaintiff respectfully requests that the Court provide the following relief:

- Declare Defendants' conduct to violate Plaintiff's Student Members' rights to equal protection under the U.S. Constitution;
- 2. Declare Defendants' conduct to violate Plaintiff's Student Members' rights to equal protection and non-discrimination under the North Carolina Constitution;
- 3. Enjoin Defendants from continuing to deprive Plaintiff's Student Members' rights to equal protection;
- Enjoin Defendants from using race as an eligibility factor for the City of Asheville Scholarship;
- 5. Award Plaintiff nominal damages;
- 6. For trial by jury;
- 7. Award Plaintiff attorneys' fees and other litigation costs reasonably incurred in this action pursuant to 42 U.S.C. § 1988; and
- 8. Grant Plaintiff other such relief that the Court deems just and proper.

Dated: 19<sup>th</sup> day of October, 2021 Respectfully submitted,

/s/ Ruth C. Smith Ruth C. Smith, Attorney Elmore and Smith Law Firm 79 Woodfin Place, Suite 103 Asheville, NC 28801 (828) 367-7998 (ph.)

(828) 367-7991 (fax) ruth@mywncattorney.com

James F. Peterson\*
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Washington, DC 20024
Tel: (202) 646-5175
jpeterson@judicialwatch.org

\*Application for admission pro hac vice forthcoming

Ameer Benno, Esq., Of Counsel Legal Insurrection Foundation 18 Maple Ave. #280 Barrington, RI 02806 Tel. 401-246-4192 email ameer@legalinsurrection.com

Counsel for Plaintiff

#### THE UNITED STATES DISTRICT COURT FOR THE WESTRN DISTRICT OF NORTH CAROLINA

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Plaintiff,	) )
v.	)
CITY OF ASHEVILLE,	) )
DEBRA CAMPBELL, City Manager	)
Of City of Asheville,	)
ASHEVILLE CITY SCHOOLS	)
FOUNDATION, and COPLAND ARNOLD	)
RUDOLPH, Executive Director of	)
Asheville City Schools Foundation	)
Defendants.	) ) )

#### **DECLARATION OF CARL MUMPOWER, PhD**

Carl Mumpower, PhD, pursuant to 28 U.S.C. § 1746, declares the following:

- 1. I am the president of WNC Citizens for Equality, Inc. a corporate entity duly organized under the laws of the State of North Carolina, with its principal place of business in North Carolina, whose members object to the discriminatory use of City of Asheville funds.
- 2. Among our members are at least three Asheville High School students (one senior, two juniors) who have affirmed they would apply for a City of Asheville Scholarship if they were eligible.
  - 3. The students are ineligible to apply for the City of Asheville Scholarship because of their race.

    I declare under penalty of perjury that the forgoing is true and correct.

Carl Mumpower, Ph.D.

Clinical & Family Psychologist

#### COUNTY OF BUNCOMBE

#### DONATION AGREEMENT

THIS DONATION AGREEMENT (herein "Agreement") is made this 5 day of \_\_\_\_\_\_\_\_, 2021, by and between Asheville City Schools Foundation, a non-profit organization, (herein "ACSF") and the City of Asheville, a North Carolina municipal corporation organized and existing under the laws of the State of North Carolina (herein "City").

#### WITNESSETH:

WHEREAS, pursuant to N.C.G.S. 160A-280, the City may donate to a nonprofit organization any personal property that the governing board deems to be unused; and

WHEREAS, the City, as part of a voluntary settlement of a class action lawsuit, must designate one or more nonprofit charitable entities to receive that portion of the settlement funds which remain unclaimed; and

WHEREAS, the City desires to direct these funds to charitable entities which will dedicate the donation towards the furtherance and advancement of racial equity within the local community; and

WHEREAS, ACSF is an independent nonprofit organization dedicated to the educational success for all students of the Asheville City School system, and has committed to establishing two new scholarship funds to benefit Black students and staff; and

WHEREAS, the City believes that by donating a portion of the unused and unclaimed settlement funds to ACSF, it will serve the public purpose and benefit of advancing racial equity within the community; and

WHEREAS, the parties desire to set forth the terms and conditions of the donation in this Agreement;

NOW, THEREFORE, in consideration of the promises and mutual covenants and agreements set forth herein, the parties agree as follows:

- 1. <u>Donation</u>. City agrees to make a one time donation of funds to ACSF in the amount of \$474,592.56 for the establishment of two scholarships. The first will establish a scholarship to be awarded in perpetuity to Black high school students within Asheville City Schools, with special consideration given for Black students pursuing a career in education. The second will establish a scholarship fund for Black, Indigenous, or People of Color who are educators and staff of Asheville City Schools and who are pursuing their next level of education and/or certification. This donation will be made in accordance with the terms and conditions set forth in this Agreement. ACSF hereby agrees to said terms and conditions by its acceptance of the donation.
- 2. <u>Reporting</u>. In order to ensure compliance with the Donation Agreement, and that the funds provided ACSF are being used for the public purpose and benefit contemplated herein, ACSF shall provide written reports to the Asheville City Council providing an overview of the utilization

of the donated funds. Reports shall be provided twice annually with the first one being given six months from the date of donation, and continuing every six months thereafter until funds have been exhausted or two years following the date of donation, whichever comes first.

- 3. <u>Default.</u> If, at any time, ACSF fails to utilize the donated funds in the manner and for the purpose herein described, any remaining portion, as well as the value of any funds which have been identified as being misused, shall be returned to the City of Asheville in accordance with section 12 of this Agreement.
- 4. Time for Performance. There shall be no time limit on the use of the donated funds.
- 5. <u>Public Purpose and Benefit</u>. The parties agree that the donation funds will be used only for the purposes described herein, and the parties further recognize and agree that the advancement of racial equity within the local community is a benefit to the City of Asheville.
- 6. <u>Indemnification</u>. ACSF shall indemnify, defend and hold harmless the City and its subsidiaries, divisions, officers, directors and employees from all liability, loss, costs, claims, damages, expenses, reasonable attorney fees, judgments and awards arising or claimed to have arisen, from any injury caused by, or allegedly caused by, either in whole or in part, any act or omission of ACSF or any employee, subcontractor, agent or assign of ACSF. This provision is not applicable to any claim arising out of or related to any active or primary negligence of or by City, its officers or employees.

Nothing herein shall be construed as a waiver on the part of the City to any defense of any claim, including, but not limited to the defense of governmental immunity.

- 7. <u>Employees</u>. ACSF, its employees, agents or assigns will be considered employees of ACSF, and not employees, agents, or contractors of the City.
- 8. <u>Compliance</u>. ACSF shall comply with all federal, state and local laws, ordinances, codes, rules and regulations governing performance of this Agreement. ACSF shall provide a drug-free workplace during the performance of this Agreement. ACSF recognizes that the City has a Minority Business Plan and this agreement is subject to that plan.
- 10. <u>No Discrimination</u>. ACSF shall not discriminate against any employee, applicant for employment, or any other person in the performance of this Agreement because of race, creed, color, national origin, marital status, sex, age, disability, or other circumstance prohibited by federal state or local law or ordinance.
- 11. <u>Termination</u>. The parties may terminate this Agreement, only with good cause, upon thirty (30) days written notice to the other party. Upon receipt of such notice, the parties will meet promptly to discuss the reasons for the notice and try to resolve their differences. In the event of termination, ACSF shall return all unused portions of the donated funds, as well as any funds deemed by the City to have been misused in accordance with this agreement. For purposes of this Agreement, "good cause" shall mean a material breach of this Agreement, which is not cured by the breaching party within ten (10) days from the date of written notice by the non-breaching party.
- 12. <u>Governing Law</u>. This Agreement is governed by and shall be construed according to the laws of the State of North Carolina. Venue for any dispute arising hereunder shall be Buncombe County, North Carolina.

- 13. <u>Severability</u>. Should any provision or provisions contained in this Agreement be declared by a court of competent jurisdiction to be void, unenforceable or illegal, such provision or provisions shall be severable and the remaining provisions hereof shall remain in full force and effect.
- 14. <u>Assignment</u>. This Agreement is not assignable by either party without the prior written consent of the other party.
- 15. Entire Agreement; Amendment. This Agreement sets forth the final entire Agreement with the parties hereto and neither they nor their agents shall be bound by any terms, conditions, statements, warranties or representations, oral or written, not herein contained. No amendment or modification of this Agreement will be effective unless in writing and signed by the City and ACSF.
- 16. <u>Notices</u>. All notices required or allowed to be given pursuant to this Agreement shall be in writing, and either (i) delivered in person to the party, or (ii) delivered by U.S. mail or private courier, postage pre-paid to the following addresses:

#### If to ACSF:

Copland Rudolph ACSF P.O. Box 3196 Asheville, NC 28802 828-350-6174 copland.rudolph@acsgmail.net

#### If to City:

Brad Branham
City of Asheville
PO Box 7148
Asheville, NC 28802
828-259-5610
bbranham@ashevillenc.gov

WHEREFORE, the parties have executed this Agreement as of the date stated above. Attest to: Asheville City Schools Foundation Secretary (Corporate Seal) Attest to: CITY OF ASHEVILLE Čity Clerk (Corporate Seal) STATE OF NURRAL COUNTY OF BULLOWE Sword , Notary Public of the County and State, do hereby certify that \_\_\_\_, personally came before me this day an acknowledged that he she is of Asheville City Schools Foundation and acknowledged, on the Executive Director behalf of Asheville City Schools Foundation, the due execution of the foregoing instrument. Witness my hand and notarial seal this MICHELLE SMITH NOTARY PUBLIC Notáry Public Mecklenburg County North Carolina My Commission Expires: 2-18-21 My Commission Expires Feb. 18, 2022 STATE OF NORTH CAROLINA COUNTY OF BUNCOMBE I, Notary Public of the County and State aforesaid certify that Mandalen Burleson personally came before me this day and acknowledged that she is the City Clerk of the City of Asheville, a municipal corporation, and that by authority duly given and as the act of the corporation the foregoing instrument was signed in its name by its City Manager and attested by herself as its City Clerk. Witness my hand and notarial seal this 2021. MICHELLE SMITH Notary Public

My Commission Expires: 2-18-22

NOTARY PUBLIC

Mecklenburg County North Carolina **Ms Pompiesi**空時运动运动的增强分割

#### STATE OF NORTH CAROLINA

#### COUNTY OF BUNCOMBE

#### **DONATION AGREEMENT**

THIS DONATION AGREEMENT (herein "Agreement") is made this  $\frac{9 \, \text{\text{\text{\text{\text{\text{M}}}}}}{2021}$ , day of organization, (herein "ACSF") and the City of Asheville, a North Carolina municipal corporation organized and existing under the laws of the State of North Carolina (herein "City").

#### WITNESSEIH:

WHEREAS, pursuant to N.C.G.S. 160A-280, the City may donate to a nonprofit organization any personal property that the governing board deems to be unused; and

WHEREAS, the City, as part of a voluntary settlement of a class action lawsuit, must designate one or more nonprofit charitable entities to receive that portion of the settlement funds which remain unclaimed; and

WHEREAS, the City desires to direct these funds to charitable entities which will dedicate the donation towards the furtherance and advancement of racial equity within the local community; and

WHEREAS, the City previously made a donation consisting of a portion of the unused settlement funds to ACSF, and has determined that additional funds from the settlement remain unused and must be donated as well; and

WHEREAS, ACSF is an independent nonprofit organization dedicated to the educational success for all students of the Asheville City School system, and has committed to establishing two new scholarship funds to benefit Black students and staff; and

WHEREAS, the City believes that by donating a portion of the unused and unclaimed settlement funds to ACSF, it will serve the public purpose and benefit of advancing racial equity within the community; and

WHEREAS, the parties desire to set forth the terms and conditions of the donation in this Agreement;

NOW, THEREFORE, in consideration of the promises and mutual covenants and agreements set forth herein, the parties agree as follows:

1. <u>Donation</u>. City agrees to make a one time donation of funds to ACSF in the amount of \$2,875.50 to further fund two previously established scholarships. The first is a scholarship to be awarded in perpetuity to Black high school students within Asheville City Schools, with special consideration given for Black students pursuing a career in education. The second is a scholarship fund for Black, Indigenous, or People of Color who are educators and staff of Asheville City Schools and who are pursuing their next level of education and/or certification. This donation will be made in accordance with the terms and conditions set forth in this Agreement. ACSF hereby agrees to said terms and conditions by its acceptance of the donation.

- 2. <u>Reporting</u>. In order to ensure compliance with the Donation Agreement, and that the funds provided ACSF are being used for the public purpose and benefit contemplated herein, ACSF shall include this portion of donated funds in the reporting to be provided pursuant to the terms of the donation agreement previously executed between ACSF and the City on May 5<sup>th</sup>, 2021.
- 3. <u>Default.</u> If, at any time, ACSF fails to utilize the donated funds in the manner and for the purpose herein described, any remaining portion, as well as the value of any funds which have been identified as being misused, shall be returned to the City of Asheville in accordance with section 12 of this Agreement.
- 4. <u>Time for Performance</u>. There shall be no time limit on the use of the donated funds.
- 5. <u>Public Purpose and Benefit</u>. The parties agree that the donation funds will be used only for the purposes described herein, and the parties further recognize and agree that the advancement of racial equity within the local community is a benefit to the City of Asheville.
- 6. <u>Indemnification</u>. ACSF shall indemnify, defend and hold harmless the City and its subsidiaries, divisions, officers, directors and employees from all liability, loss, costs, claims, damages, expenses, reasonable attorney fees, judgments and awards arising or claimed to have arisen, from any injury caused by, or allegedly caused by, either in whole or in part, any act or omission of ACSF or any employee, subcontractor, agent or assign of ACSF. This provision is not applicable to any claim arising out of or related to any active or primary negligence of or by City, its officers or employees.

Nothing herein shall be construed as a waiver on the part of the City to any defense of any claim, including, but not limited to the defense of governmental immunity.

- 7. <u>Employees</u>. ACSF, its employees, agents or assigns will be considered employees of ACSF, and not employees, agents, or contractors of the City.
- 8. <u>Compliance</u>. ACSF shall comply with all federal, state and local laws, ordinances, codes, rules and regulations governing performance of this Agreement. ACSF shall provide a drug-free workplace during the performance of this Agreement. ACSF recognizes that the City has a Minority Business Plan and this agreement is subject to that plan.
- 10. <u>No Discrimination</u>. ACSF shall not discriminate against any employee, applicant for employment, or any other person in the performance of this Agreement because of race, creed, color, national origin, marital status, sex, age, disability, or other circumstance prohibited by federal state or local law or ordinance.
- 11. <u>Termination</u>. The parties may terminate this Agreement, only with good cause, upon thirty (30) days written notice to the other party. Upon receipt of such notice, the parties will meet promptly to discuss the reasons for the notice and try to resolve their differences. In the event of termination, ACSF shall return all unused portions of the donated funds, as well as any funds deemed by the City to have been misused in accordance with this agreement. For purposes of this Agreement, "good cause" shall mean a material breach of this Agreement, which is not cured by the breaching party within ten (10) days from the date of written notice by the non-breaching party.

- 12. <u>Governing Law</u>. This Agreement is governed by and shall be construed according to the laws of the State of North Carolina. Venue for any dispute arising hereunder shall be Buncombe County, North Carolina.
- 13. <u>Severability</u>. Should any provision or provisions contained in this Agreement be declared by a court of competent jurisdiction to be void, unenforceable or illegal, such provision or provisions shall be severable and the remaining provisions hereof shall remain in full force and effect.
- 14. <u>Assignment</u>. This Agreement is not assignable by either party without the prior written consent of the other party.
- 15. Entire Agreement; Amendment. This Agreement sets forth the final entire Agreement with the parties hereto and neither they nor their agents shall be bound by any terms, conditions, statements, warranties or representations, oral or written, not herein contained. No amendment or modification of this Agreement will be effective unless in writing and signed by the City and ACSF.
- 16. <u>Notices</u>. All notices required or allowed to be given pursuant to this Agreement shall be in writing, and either (i) delivered in person to the party, or (ii) delivered by U.S. mail or private courier, postage pre-paid to the following addresses:

#### If to ACSF:

Copland Rudolph ACSF P.O. Box 3196 Asheville, NC 28802 828-350-6174 copland.rudolph@acsgmail.net

#### If to City:

Brad Branham City of Asheville PO Box 7148 Asheville, NC 28802 828-259-5610 bbranham@ashevillenc.gov

Asheville City Schools Foundation Attest to: By: Secretary Executive Director (Corporate Seal) CITY OF ASHEVILLE Attest to: City Clérk (Corporate Seal) STATE OF , Notary Public of the County and State, do hereby certify that \_, personally came before me this day an acknowledged that he/she is of Asheville City Schools Foundation and acknowledged, on behalf of Asheville City Schools Foundation, the due execution of the foregoing instrument. Witness my hand and notarial seal this KENNETH B. MERRITT **NOTARY PUBLIC Buncombe County** My Commission Expires North Carolina My Commission Expires 1/28/2024 STATE OF NORTH CAROLINA COUNTY OF BUNCOMBE I. Notary Public of the County and State aforesaid certify that Michael Burges personally came before me this day and acknowledged that she is the City Clerk of the City of Asheville, a municipal corporation, and that by authority duly given and as the act of the corporation the foregoing instrument was signed in its name by its City Manager and attested by herself as its City Clerk. Witness my hand and notarial/seal this day of Au Michelle F. Smith NOTARY PUBLIC Mecklenburg County North Carolina Notary Public My Commission Expires February 18, 2022 My Commission Expires: 2-18-22 n Webb Park as approved by the City.

WHEREFORE, the parties have executed this Agreement as of the date stated above.

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# City of Asheville to donate funds from class action lawsuit to two local organizations

Posted on April 9, 2021 by Polly McDaniel



The City of Asheville will make significant donations to two local nonprofits as part of a legal settlement to disperse funds acquired prior to a 2018 <u>class action lawsuit</u> involving the City's capital fee collected as part of the combined utility statement.

The lawsuit claimed that property developers had paid these fees to the City without legal authority to charge for them. All potential claimants were property developers. The City has consistently denied that it lacked the legal authority to collect these fees or that any individuals or entities were harmed through the collection of these fees. The settlement was undertaken to mitigate legal risk and avoid unnecessary expense.

The money for these donations comes directly from the settlement amount following the payment of all verified claims filed by developers for reimbursement. As part of the settlement agreement, the City must give the remaining money to charity. The recipient organizations required approval by the plaintiffs in the lawsuit and the judge in the action.

The total settlement was \$1.85 million. Of this, \$949,185.12 was left unclaimed and will be dispersed between two organizations — the <u>Asheville City Schools Foundation</u> and <u>CoThinkk</u>.

During their April 13 meeting, Asheville City Council will vote to approve the \$949,185.12 to these two organizations. This was not a grant process, but rather an internal recommendation made by City Council and then submitted to the class action plaintiffs and the court. A traditional public process could not occur due to the City's inability to unilaterally select the entities. The Council chose these organizations because of the work they are doing to advance racial equity in our community.

#### How the money will be used

**Asheville City Schools Foundation** — The donation will be used to fund two scholarship funds. The first will establish a scholarship to be awarded in perpetuity to Black high school students within Asheville City Schools, with special consideration given for Black students pursuing a career in education. The second will establish a scholarship fund for Black, Indigenous, or People of Color who are educators and staff of Asheville City Schools and who are pursuing their next level of education and/or certification.

Founded in 1988 by parents, community members, and school personnel, the Asheville City Schools Foundation works to increase local support for public education, particularly by engaging the community to increase equity in education.

**CoThinkk** — CoThinkk is focused on bringing together community leaders who care about the economic and social well-being of communities of color in Asheville and Western North Carolina. This donation will be used in three areas:

- To provide access to resources, capacity-building, and equitable grant making for local/regional organizations/change agents led by BIPOC/African-American/Latinx to address racial equity and structural change;
- As general operating support for CoThinkk to build and support innovative internal capacity within our four strategic levers: healing, access to resources, capacity-building, and systems change; and
- To create a structure/fund anchored in equity to address racial equity and structural/systems change. CoThinkk will grow and leverage dollars from regional/national funders and social impact investors designated for long-term regranting to regional organizations/groups led by BIPOC organizations/change agents.

Both groups will provide written reports to the Asheville City Council about how the donated funds have been used. Reports shall be provided twice annually with the first one being given six months from the date of donation, and continuing every six months thereafter until funds have been exhausted (or two years following the date of donation, whichever comes first).

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#### The City of Asheville

70 Court Plaza P.O. Box 7148 Asheville, NC 28802

**&** 828-251-1122 

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# CITY OF ASHEVILLE SCHOLARSHIP FUND

On April 13th, 2021, Asheville City Council unanimously voted to donate almost \$1 million dollars of unclaimed settlement funds to be evenly divided between the Asheville City Schools Foundation and CoThinkk. We thank the city for entrusting us with this generous donation which will be used for the creation of two scholarships. One will be established as a scholarship fund for a cohort of Black educators and staff of Asheville City Schools who are

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pursuing their next level of education and/or certification and another scholarship will be awarded in perpetuity to Black high school students within Asheville City Schools, with special consideration given for students pursuing a career in education. The first City of Asheville Scholarship will be awarded in May of 2021 and funding for the first Black cohort of educators will begin in August 2021.

#### **RATIONALE**

The Asheville City Schools system was established in 1887 because the Black community supported, canvassed, and voted in large enough numbers to pass the resolution by 2 votes. The Black community has served and sacrificed for Asheville City Schools for 130 years from Black teachers working for half or no pay during the depression while their white counterparts worked for higher pay to Black students losing their high school and bearing the hardships of a desegregation plan that did not support their education or future. Additionally, the closing of Stephens Lee High School, Livingston Street School, Hill Street School and other Black schools, as a result of desegregation efforts, left gaping holes in local Black communities. The closing of Black schools correlates with great losses of Black teachers, school leaders, and a declining Black middle class. Local Black communities have yet to recover from these localized social and economic catastrophes.

#### DATA

Currently, Black students make up 12% of the student population. ACS employs 373 certified teachers, but Black teachers only represent about 6% (24 total) of the certified teacher pool. There are 117 instructional assistants in the district; Black instructional assistants represent 21% (25 total) of that population. As such, the district has three goals which the scholarship fund can support: 1) ACS will ensure that there is a proportionate ratio of Black certified teachers for Black students (at least 12%), 2) in pursuit of the primary goal, ACS will support tuition fees for current Black staff's career advancement in education (e.g., teacher licensure, school counseling, school leadership), and 3) ACSF will provide college tuition support for Black high school students who want to pursue careers in education (e.g., teaching, school social work).

#### **OUTCOMES**

With these goals in mind, the City of Asheville Scholarship Fund could significantly bolster the presence of Black educational professionals in the ACS district. Moreover, this constellation of resources and efforts have the potential to significantly improve the lived realities of Black students (closing resource and opportunity gaps), Black families (increasing relationships

between parents and schools), and Black

communities (through economic support, reducing student loan debt, and providing access to careers with livable wages, e.g., teaching).



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EIN# 58-1836982

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Please click here to contribute to our Annual Campaign!

## BLACK EDUCATOR EXCELLENCE

# CREATING AN INCLUSIVE AND SUPPORTIVE CULTURE FOR ACS EDUCATORS

ACSF and ACS recognize that our stated commitments to close the racial opportunity gap must include robust support for current Black staff and an innovative BIPOC recruitment and retention program. The Black Educator Excellence cohort is part of a larger ACS commitment to creating an inclusive and supportive culture for BIPOC staff and is

funded by a generous donation from the City of Asheville.

The Black Educator Excellence program includes tuition for current ACS faculty and staff to complete their degrees, cohort meeting expenses, book stipends, and graduation expenses. These funds will contribute to bolstering our Black professionals within the ACS district with hopes to improve the lived realities of Black students, families and community members. The following ten current faculty and staff members have been recruited as part of the inaugural cohort:

#### CITY COUNCIL PRESENTATION

Click below to watch ACSF's report to Asheville City Council members on the Black Educator Excellence program from October 12th, 2021. ACSF presents at minute 25:26.

City Council Meeting - October 12



### educator EXCELLENCE



ASHLEY ALLEN
INTEGRATED EDUCATION
Mars Hill University
Claxton Elementary School



NICOLE CUSH
DOCTORATE-EDUCATIONAL LEADERSHIP
Western Carolina University
SILSA High School



MISTY BECK

MASTERS IN SOCIAL WORK

Western Carolina University
Asheville Middle School and
Montford North Star Academy



RUAFIKA COBB

DOCTORATE-EDUCATIONAL LEADERSHIP
Western Carolina University
Ira B. Jones Elementary



KIMBERLY JONES
BACHELORS IN SOCIAL WORK
Mars Hill University
ACS Central Office Administrator



SYBIL JEFFERSON

MASTERS IN SCHOOL ADMINISTRATION
Western Carolina University
Asheville High School



OCTAVIA HAMILTON
CERTIFICATION IN SPECIAL
EDUCATION K-12
Mars Hill University
Isaac Dickson Elementary



ANGEL REDMOND
MASTERS IN SCHOOL COUNSELING
ACS Mental Health Specialist
and Student Support



RONALD SCOTT

BACHELORS IN FAMILY/CON.
SCIENCE EDUCATION

East Carolina University
Asheville High School



CASSANDRA WELLS
TEACHING LICENSURE K-6
Mars Hill University
ACS Teaching Assistant

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Additionally, the closing of Stephens Lee High School, Livingston Street School, Hill Street School and other Black schools, as a result of desegregation efforts, left gaping holes in local Black communities. The closing of Black schools correlates with great losses of Black teachers, school leaders, and a declining Black middle class. Local Black communities have yet to recover from these localized social and economic catastrophes.

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The first BEE cohort gathering of the 2021-2022 school year at Grind AVL:





## FOR QUESTIONS OR MORE INFORMATION, PLEASE CONTACT:

**Brandon Whiteside** 

Scholarship and Alumni Center
Coordinator
Asheville City Schools

Dr. Mark Dickerson

Assistant
Superintendent of HR
Asheville City

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