

NEWS

The Minnesota Department of Education lacked checks and balances to prevent alleged fraud by Feeding Our Future, says Senator Roger Chamberlain.

Two Minnesota Department of Education officials defended their handling of alleged fraud committed by Feeding Our Future. They were grilled Wednesday at a third Senate hearing on the matter.



By **JOEY PETERS**
APRIL 20, 2022



MDE Assistant Commissioner Daron Korte, left, and Director of Nutrition Program Services Monica Herrera, right, testified before the Senate Education committee on April 20, 2022. Credit: Ben Hovland | Sahan Journal

A prominent state senator says he doesn't believe the Minnesota Department of Education has enough checks and balances to prevent fraud in its management of federal funds earmarked to feed low-income children.

"I think we're getting closer to the fact that they really don't have tight internal controls," Sen. Roger Chamberlain, R-Lino Lakes, said in an interview Wednesday after a third Senate hearing on the matter. "And they didn't look at this very closely, and that's why it wasn't caught."

Two officials from the Minnesota Department of Education (MDE) who oversee the state's access to federal food programs answered questions earlier Wednesday before the Senate Education Finance and Policy Committee. Chamberlain chairs the committee, which has grilled state education officials about their handling of alleged fraud committed by Feeding Our Future. No one has been publicly indicted in the case.

MDE officials have said the department is not under investigation.

Daron Korte, assistant commissioner of education, and Monica Herrera, the department's director of nutrition program services, both contended that MDE did what it could to catch the alleged fraud under difficult circumstances. Those circumstances, they argued, included navigating a worldwide pandemic and a lawsuit filed by Feeding Our Future against MDE that Korte and Herrera say hampered their ability to prevent the alleged fraud.

Korte oversees the department's division that handles nutrition programs.

FEEDING OUR FUTURE

Editor's note: Why Sahan Journal is reporting on alleged fraud in the federal meals program.

If you are a regular reader of Sahan Journal, you probably have seen one or two stories on our website about the alleged misuse of millions of dollars in federal funds intended for

feeding disadvantaged children and adults in Minnesota. Our coverage of this sprawling story has focused on nonprofit organizations, businesses, and key people...

Korte and Herrera's comments echo **similar statements MDE Commissioner Heather Mueller made to the same Senate committee earlier this month.**

As he did with Mueller, Chamberlain on Wednesday drilled down on why the Department of Education took advantage of federal COVID-19 waivers that allowed it to forgo visiting food sites in person to verify whether they were serving the number of meals they claimed.

Sponsor organizations like Feeding Our Future receive federal money through MDE to distribute to other groups, from recreation centers to houses of worship, who then provide ready-to-eat meals on their premises to low-income children. Search warrant affidavits unsealed in January allege that several people associated with Feeding Our Future and some of the groups it worked with inflated the number of children they served in order to obtain federal food aid dollars that they instead used on personal expenses.

Aimee Bock, who served as executive director of Feeding Our Future, has repeatedly denied the FBI's allegations. Instead, she contends that the FBI's allegations stem from bad information from MDE. She has claimed that MDE is retaliating against her for her history of lawsuits against the state agency.

Chamberlain cited Minneapolis-based Safari Restaurant and Event Center as his main example. In the summer of 2020, it claimed to serve 5,000 meals a day and allegedly defrauded the government of millions of dollars. (People associated with Safari have denied these allegations). The FBI alleges the money went toward personal purchases like cars, real estate, and travel.

Wednesday's hearing grew testy at times.



State Sen. Roger Chamberlain, R-Lino Lakes, questions MDE officials about alleged food aid fraud on April 20, 2022.

Credit: Ben Hovland | Sahan Journal

Chamberlain noted that Safari’s seemingly unbelievable claims triggered an administrative review at MDE, but that it still didn’t prompt the department to visit the restaurant to check if it actually was serving as many meals as it claimed. When he asked Korte about this, Korte began answering that site visits are only part of the monitoring process—a frequent talking point from MDE in all three legislative hearings.

Chamberlain interrupted Korte. “I knew this would be difficult because you’re smart,” he said. “You’re diverting here.”

Korte eventually said the department waived site visits as it tried to balance their employees’ health due to COVID and the financial risk of Feeding Our Future’s rapid growth of food sites and meal claims.

“They may not have been particularly useful because many sites were doing home delivery at the time,” Korte said of site visits, “but also

because many sites were not allowing outside people who weren't their students or their staff inside.”

“We certainly did not waive all of our monitoring requirements,” Korte added.

Herrera added that Feeding Our Future “could have justified” Safari’s 5,000-meals-a-day claim “in various ways” that would have made a site visit useless.

That hypothetical, Herrera said, includes, “Feeding Our Future saying, ‘They’re a vendor, they’re providing meals to 20 different sites.’ ”

Chamberlain asked whether the MDE officials believed, in hindsight, that the department’s decision to waive the site visits was a good one.

“It’s hard to say in retrospect,” Korte said.

Earlier this month, Mueller repeatedly testified that the department’s standard review of financial documents caught the rapid growth of food sites and meal claims just weeks into the pandemic. She said her department’s monitoring efforts led to the FBI investigation of Feeding Our Future, which is ongoing.

Mueller also emphasized that a judge’s ruling in Feeding Our Future’s lawsuit against MDE compelled the department to continue forwarding federal money to the organization.

At one point in Wednesday’s hearing, Chamberlain asked Korte whether he believed the Department of Education’s process to catch and prevent fraud worked.

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— MDE ASSISTANT COMMISSIONER DARON KORTE

“I believe that our staff did everything in their power to slow the growth of these programs, or at least tried to give us an understanding of what was happening so rapidly,” Korte said.

Chamberlain asked why the Department of Education approved Feeding Our Future to be a sponsor for food sites when it had “no financial history” before its approval in 2018. He also cited emails that Partners in Nutrition, a rival sponsor organization, sent to the department in 2018 warning it about Feeding Our Future.

Korte responded by relaying MDE’s history with Partners in Nutrition. The department originally denied Partners in Nutrition’s application to be a sponsor organization in 2016, he said, but Partners in Nutrition successfully defeated the effort in court.

At that time, Korte said, Bock was working with Partners in Nutrition. Bock left the organization a few years later and founded Feeding Our Future and applied to be a sponsor, he said. During Feeding Our Future’s

JOURNAL

Nutrition against the state.

Chamberlain said he plans to hold at least one more hearing about Feeding Our Future sometime next month where more MDE officials will testify. He then expects to draft recommendations for the Department of Education in order to prevent future fraud.

FEEDING OUR FUTURE



Minnesota Department of Education commissioner publicly addresses alleged Feeding Our Future fraud for the first time. Heather Mueller was questioned at a Senate hearing.



A friendship, a rivalry, a federal investigation.



As the Feeding Our Future investigation expands, readers asked us why the government allowed people to allegedly steal tens of millions of dollars in food aid. Here's what we found.

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