Written by Lynn Campbell
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The Iowa Association of School Boards (IASB) this past week became synonymous with corruption and scandal and was even compared with the Central Iowa Employment & Training Consortium (CIETC) amid allegations of wrongdoing.

"It's outrageous that these people that are no more than common thieves don't even have the guts to come here and face us today. They will come here before this is over; they'll be here," said Senator Thomas Courtney (D-Burlington). "We spend over $3 billion a year in this state on education and these people found a way to steal some of it."

Courtney compared the situation to the 2006 CIETC scandal involving executive bonuses and salaries paid with federal money.

"It's the same deal. They stole money. Plain and simple, they raised their salary, they thought they were worth more," Courtney said. "This is outrageous. I hope the FBI gets involved. I hope they all wind up in prison. I hope they're there for 100 years."

IASB Executive Director Maxine Kilcrease was placed on administrative leave after the board learned that she raised her salary from $210,000 to $367,000 without board approval last September, and that taxpayer money was used for former Chief Financial Officer Kevin Schick's vacation to Bora Bora.

The FBI launched an investigation because of federal money involved in alleged wrongdoing, while an outside auditor described to lawmakers how he was repeatedly stonewalled by IASB executives and threatened with a lawsuit when he tried to alert the IASB board about serious financial concerns and problems.

"This is the strangest thing that I've ever been through in my entire career," said Ted Lodden, managing partner of Brooks Lodden, a West Des Moines public-accounting firm that works with not-for-profit organizations and was hired by the IASB board to do an audit. "This is very, very strange. I've never run into this before, and I hope I never do again."

Lodden painted a bleak picture of the financial situation of the troubled organization accused of misspending taxpayer dollars.

"Things are not great," Lodden said. "It's a situation where they can survive, but they'll have to take a serious look at all the programs and all of the staff and all of the expenses and make some serious adjustments to it."

IASB legal counsel Nolden Gentry told lawmakers that at a time when Kilcrease was terminating long-term employees due to lack of funds, she substantially increased the salary of three employees: Mary Delagardelle, deputy executive director and foundation executive director, from $127,079 to $165,000; LeGrande Smith, inside legal counsel, from $145,400 to $165,000; and Mary Gannon, attorney and lobbyist, from $96,705 to $125,000.

Lawmakers with the Government Oversight Committee heard that $8,680.21 was incorrectly charged to the IASB credit card, but that $7,500 has been paid back. Included was the taxpayer money allegedly used for Schick's vacation.

In response to the barrage of news, the Iowa Senate voted 49-0 this week to subject the IASB to the state's open-meetings and public-records laws.

The proposal came from Sen. Pat Ward (R-West Des Moines), who offered the amendment to the education budget bill. She touted the need for transparency and openness.

Culver's Potential Primary Challenger Opts to Run as an Independent

It looks like first-term Democratic Governor Chet Culver won't face a primary fight in his bid for re-election.

Jonathan Narcisse, an outspoken community activist, newspaper publisher, and former Des Moines School Board member, said three weeks ago that he would seek the Democratic

nomination to challenge Culver. But on Thursday he changed his mind and said he will instead run as an independent in November.

Narcisse's decision came just one day before Friday's 5 p.m. deadline to file nomination papers to get on the June 8 primary-election ballot. He told reporters that he had collected the necessary signatures, but because he didn't file, that's impossible to verify.

Democratic candidates for governor and U.S. Senate are required to collect the highest number of signatures of any candidate -- 4,145, which is half of 1 percent of the 828,940 votes cast for President Barack Obama in 2008. Signatures must come from at least 10 counties, representing at least 1 percent of votes in each of those counties.

Narcisse would have been the first Iowan to challenge a sitting governor in a primary since 1994.

Legislature Heads Into the Home Stretch

Lawmakers appear to have thrown labor bills and gambling legislation overboard while bills about seat belts and gun permits look to have new life as the Iowa legislature aims to adjourn at the end of next week.

"Gaming seems to have come off the radar screen to a large extent," said House Minority Leader Kraig Paulsen (R-Hiawatha). "There's still a few members talking about it, but it doesn't appear to me like it has a whole lot of energy."

Senate Majority Leader Mike Gronstal (D-Council Bluffs) had already said a package of gambling proposals is a "long shot" this year. That didn't stop Harrah's Entertainment and Horseshoe Casino in Council Bluffs from making a last-ditch effort this week to end live greyhound racing by offering to pay the state $7 million a year.

But House Speaker Pat Murphy (D-Dubuque), said Thursday that's not going to happen. "It's anti-economic development," he said. "We've got over 150 dog owners in the state that will be run out of business."

The signs of an imminent adjournment at the Capitol are clear: Seven different state-budget bills were moving Thursday either on the House or Senate floor or in committee, and leaders announced that the final two budget bills -- infrastructure and standings -- would be unveiled Monday. House pages had taken out the office boxes for lawmakers to begin packing up to go home.

Key to Democrats' plan to balance the Fiscal Year 2011 budget is spending $187.8 million from the state's cash reserves to help backfill a $347.8-million general-fund reduction to Medicaid. That's in the health-and-human-services budget that was debated by the House on Thursday afternoon.

As usual, one of the last bills of the year will be the "standings" bill, a catchall clean-up bill that will contain about $350 million in state aid for K-12 education but has also been known to include many policy issues that hadn't previously been approved. For example, the regulation of puppy mills was included in last year's standings bill and was debated at the 11th hour.

Democratic leaders vowed that this year will be different.

"The standings bill has been referred to somewhat derogatorily ... as the 'Christmas Tree bill,'" said House Majority Leader Kevin McCarthy (D-Des Moines). "But I think when you look at the standings bill that will come out probably on Monday, when you compare it to past years' bills, ours will have a lot less bulbs on it."

Senate Minority Leader Paul McKinley (R-Chariton) said the session will be remembered for increasing property taxes.

"Iowans, once we're out of session, can take their hands off their pocket," McKinley said. "However, there will be a legacy here and that will come next fall when property taxes go up because of the actions and inactions of this legislature."

Dem Leaders Back Concealed-Weapons Bill

A controversial bill about permits to carry weapons and to acquire pistols and revolvers has resurfaced as a leadership bill sponsored by McCarthy and Gronstal.

House File 2528 would make Iowa a "shall issue" state for concealed-weapons permits, as backed by the National Rifle Association. It would standardize the criteria used in Iowa's 99 counties for getting concealed-weapons permits and require sheriffs to issue the permits if Iowans meet those criteria.

"If you had to assemble a system today relative to the issuance of concealed-carry permits, I don't think anybody thinks we would have assembled a system that had 99 different sets of criteria for that," Gronstal said. "So I think we're looking at coming up with something that provides a little bit of uniformity."

But Representative Dwayne Alons (R-Hull), a member of the House Public Safety Committee, said there are some questionable portions of the bill. He questioned Democrats' motive in giving the bill new life this late in the session.

"It's supposed to be a 'shall issue' bill on gun permits, but there are some other portions of the bill that do not seem to be as favorable for gun rights in there," Alons said. "So there's kind of a question mark as to why the NRA is really pushing this one so heavily."

The bill would also make confidential the personally identifiable information of applicants or holders of nonprofessional permits to carry weapons and to acquire pistols or revolvers, unless otherwise ordered by a court. It says a court or the Department of Public Safety can forward to the FBI a copy of a court order about a person who is the subject of a mental-health-related order or commitment and the possession of firearms by such a person.

And it would create a new crime relating to possessing or carrying firearms while under the influence of alcohol or an illegally used or possessed controlled substance and provides certain exemptions.

Culver Touts First Project-Labor Agreements

Approximately 75 labor-union members gave Culver two standing ovations this week as the governor formally received the state's first project-labor agreements for two major construction projects totaling about $200 million at state prisons.

"This is a historic step in the right direction," Culver said. "All of us have been working together for a long time to do what we can to increase wages in this state, to make sure that we fight for livable wages with good benefits. We've had some success in the past, and we've had a few setbacks. But today is clearly a big step forward."

The ceremony followed the successful completion of negotiations between the state and two regional building and construction trades councils.

Project-labor agreements spell out project wages and working conditions in advance and require all contractors and subcontractors to sign on. Such agreements can favor labor unions because they are often involved in negotiating the conditions.

Culver signed a letter directing the Department of Administrative Services to include the appropriate project labor agreements in the specifications of bid documents for two large construction projects: the new $130-million Iowa State Penitentiary in Fort Madison and $70 million in renovations of the Iowa Correctional Institution for Women in Mitchellville.

The governor said these agreements will ensure good wages are paid on thousands of infrastructure projects, many related to flood recovery and I-JOBS. He said these two agreements for state prisons will benefit ironworkers, painters, bricklayers, and other workers

from 14 different organizations. "This is about putting people to work, creating jobs, and paying livable wages that all of you deserve," Culver said.

Opponents say project-labor agreements cost taxpayers money.

Senate Reject Culver Appointee for a Second Time

The Iowa Senate on Thursday rejected Culver's appointment of Shearon Elderkin to the Iowa Power Fund Board on a 31-15 vote - three votes shy of the required 34 -- following its rejection of her last year as an appointee to the Environmental Protection Commission.

"We have talked to our caucus to say: Is there any support? We find no support," McKinley said. "We found that she was acting beyond the authority of the position and not consistent with the needs of the state from an environmental standpoint. The same issues that existed last year exist this year."

The Senate last year rejected Elderkin's confirmation on a 32-18 vote. Confirmation requires two-thirds of the Senate, or 34 votes.

McKinley explained at the time that under questioning by lawmakers, Elderkin misrepresented the position she had taken on the Environmental Protection Commission, and "her failure to be forthright while misrepresenting her position in front of the committee raises many serious red flags."

This weekly summary comes from IowaPolitics.com , an online government and politics news service. Reporter Andrew Duffelmeyer and other correspondents contributed to this report.