

Executive Secretary  
State Board of Ethics  
400 South Pine Street  
P.O. Box 30002  
Lansing, MI 48909

To the Michigan Board of Ethics:

Michigan remains last in government transparency for the exact conduct included in my complaint. Mikula's answer states that she is only involved in singular ceremonial approval process that takes place in October. That statement is false. Mikula also states she disclosed her association and conflicts. Mikula presented to MACC as a representative of her non-arts organizations, MLA and CANM, so she clearly disclosed her association with them. However, she moved to approve and voted to approve hundreds of thousands of dollars worth of non-competitive state funding to her non-arts organization. MLA and CANM never received MACC funding, in the history of MACC, prior to Mikula's appointment.

The original complaint showed, via MACC's own meeting minutes, Mikula moving to approve her own discretionary funding, which is offered openly, outside of a competitive grant application process. Mikula used her position *to move and approve* thousands worth of funding in cases where less a handful of other grantees received the same non-competitive state money. The October "ceremonial" approvals, which are distinct from the few discretionary grants funding recipients, are decided via competitive grants. Mikula's organizations' funding is purely at the discretion of MACC, to which she was appointed. This is not the first time Mikula has used her position for cronyism.<sup>1</sup>

Rogers, a former Howell mayor, was hired in September 2013 after former Director Deborah Mikula resigned.

Mikula's management style, was also the focus of a board meeting earlier that year. It was subsequently revealed that she had a personal relationship with an authority employee.

Mikula has repeatedly moved to approve, and approved, funding, including zero match discretionary funding, for her organizations. Michigan Board of Ethics precedence shows that the "personal benefit" of ethics violations extend to one's employer and the complainant need not show impossible mens rea evidence.

Mikula does not simply vote along with the rest of MACC, she moves to approve her own organizations' funding. One can infer much from the fact that the MLA never received MACC funding prior to Mikula's appointment. CANM did not exist prior to Mikula's appointment. Mikula violated the ethics law, on its face. Notwithstanding MCL 15.341 et seq., the MACC

<sup>1</sup> <https://www.livingstondaily.com/story/news/local/community/livingston-county/2015/08/27/howell-recreation-rogers-director/32480893/>

policies explicitly state that MACC members will recuse themselves from voting on decisions that members have an interest in.

## **Illustrative Timeline**

Deb Mikula is appointed to MACC in 2018.<sup>2</sup> Mikula became director of MLA June 2019.<sup>3</sup>

From MACC meeting minutes:

April 2019 MACC Handbook indicates that the MACC delegated grantmaking authority to MACC Director Alison Watson.<sup>4</sup> Watson has exercised this authority ever since then, though there is no record of the discussion or decision in any meeting minutes.

June 2019 Watson states her choices, at the MACC meeting, for the invitation-only Services to the Field grant. The MACC members rubberstamp their approval of the choices with no discussion. Watson also mentions the creation of Cultural Advocacy Network of Michigan (CANM) because Creative Many would be closing due to unsustainability.<sup>5</sup> Watson noted that the Michigan Historic Preservation Network (MHPN) moved into the MACC building. Proximity to Watson equals grant funding because the next year MHPN got \$10K of discretionary funds and now is annually invited to apply for the invitation only Services to the Field grant -with no match requirement. Watson also announces an upcoming Michigan Museum Association (MMA) conference.

April 2020 Deb Mikula motions to approve, no 1:1 match required, \$70,000 CANM funding under the Services to the Field grant. Mikula was the CANM president at the time.<sup>6</sup> Watson states that CARES funding decisions and discussion will require a special public meeting in May 2020. The MLA is awarded an operational support grant worth \$20,000. The grant has a 1:1 match support requirement and was granted through a competitive process. MLA also receives CARES funds through private meeting, despite public meeting requirements.

July 2020 Watson states the CARES funds had been distributed already. The special public meeting she spoke of at the previous meeting, did not happen. There are no minutes of any discussion or decisions regarding the over \$500,000 in CARES funding.

January 2021 Mikula presents to MACC as president of CANM, recipient of invitation-only grant with no match requirement. Mikula is still a MACC appointee.

April 2021 Watson presents to MACC her choices for invitation-only, no match required Services of the Field grant, to which Mikula has an interest via MLA (\$40,000) and CANM (\$70,000). There is no discussion and Mikula participates in the vote to approve. Watson also states the ARP funding information will be shared. Mikula presents as president of CANM,

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<sup>2</sup> <https://thelivingstonpost.com/former-howell-parks-rec-director-appointed-to-state-arts-council/>

<sup>3</sup> [https://mla.memberclicks.net/index.php?option=com\\_content&view=article&id=675%3Apresident-s-update---june-13--2019---news---michigan-library-association&catid=27%3Anews-mla&Itemid=292](https://mla.memberclicks.net/index.php?option=com_content&view=article&id=675%3Apresident-s-update---june-13--2019---news---michigan-library-association&catid=27%3Anews-mla&Itemid=292)

<sup>4</sup> <https://www.michiganbusiness.org/4a854d/globalassets/documents/macc/council-handbook-2019.pdf> page 14

<sup>5</sup> <https://www.freep.com/story/news/local/michigan/2019/05/31/creative-many-michigan-close-its-doors-after-funding-issues/1300691001/>

<sup>6</sup> <https://www.michiganpresenters.org/2021-virtual-conference> and attached 990 for CANM

recipient of invitation-only grant with no match requirement. Mikula is still a MACC appointee. Watson asks MACC to review grants, including additional funding to CANM as well as other grantees between meetings.

July 2021 Mikula presents as president of CANM, recipient of invitation-only grant with no match requirement. Mikula is still an MACC appointee.

January 2022 Mikula now presents for MLA.

April 2022 Watson presents her choices for Services to the Field, which include CANM and MLA. Mikula votes to approve. Mikula still does not offer a recusal or proper disclosures.

July 2022 Watson approves 5 grants sometime between April and July meetings outside of public meeting. CANM reports that its lobbying efforts are working. The increased income trickles down to chosen invitation-only, no match required grantees.

### **Disclosure and Recusal**

The facts of this complaint do not suggest any exception from recusal/disclosure requirements because Mikula is not a paid employee of MACC, but rather an uncompensated government appointee. Prior to voting to approve self-interested invitation only, no match grant, Mikula has not ever recused herself or provided a timely written disclosure of her interest in CANM and MLA to exempt her from liability under the Act No. 317 of the Public Acts of 1968 or section 2 of MCL 15.342.

The issues of recusal and disclosure were previously analyzed by the Board of Ethics for the Certificate of Need (CON) Commission, which is similarly situated to MACC. CON is made up of governor appointed members and was created by statute, in the CON case, MCL 333.22211 Act 368 of 1978. The opinion recognizes that it would be unfeasible to expect zero conflicts on a commission with experts from the field. However, the Board of Ethics conclusion for CON was that it is unethical for the appointed members to vote on issues that directly impact their employer. The Michigan State Attorney General has offered similar opinions in OAG No. 6005 (1981) and OAG No. 5864 (1981).

### **From the Board of Ethics Opinion from 1978:**

It is the opinion of the Board, therefore, that under the Ethics Act a personal interest of a CON Commission member includes the interest of the members' employer, even though the member may not receive monetary or pecuniary remuneration as a result of the adopted standard. The CON Commission members will not be in violation of the Ethics Act if the members abstain from deliberating and voting upon standards in which the members' personal interest is involved. The members may deliberate and vote on standards of general applicability; that is, they may deliberate and vote on those standards that do not exclusively benefit

**Michigan Council for Arts & Cultural Affairs Council Meeting  
April 16, 2020  
MEETING MINUTES**

A meeting of the Michigan Council for Arts & Cultural Affairs [MCACA] was held on Thursday, April 16, 2020 via Skype

**Members Present:** Omari Rush, Lillian Demas, Lezanne Charles, Ara Topouzian, Gretchen Davidson, Sigal Hemy, Tyler Rossmassler, Joori Jung Xavier Verna, Nheena Ittner, Joshua Davis, Rick Treur, Anne Belanger and Debbie Mikula.

**MCACA Staff Present:** Alison Watson, Adam Wheeler, Chad Swan-Badgero, Jeff Garrett, Ashley Minarek, Jackie Lillis-Warwick

Chairman Omari Rush called the meeting to order at 1:13 p.m.

**Welcome and Introductions:**

Chairman Omari Rush welcomed everyone to the Council Meeting for April 16, 2020. Omari had the Council members and MCACA Staff introduce themselves.

**Approval of Minutes:** Omari asked if there were any changes to the January 17, 2020 Council Meeting Minutes, with there being none, Ara Topouzian motioned to approve the January 17, 2020 meeting minute's Lillian Demas seconded the motion. The motion carried unanimously.

**Chair's Report:**

MCACA Chair Omari Rush thanked everyone for joining the meeting and for being flexible in this new working climate.

**Director's Report:**

MCACA Director Alison Watson gave an update on the SmartSimple launch and thanked Adam Wheeler for his work in getting the system launched. Alison also gave an update on the staff's current working environment and online office hours. Director Watson shared with the Council the Executive Committee approval of five discretionary grants – NWMJ Arts and Culture Network, Signal Return, Livonia Chorus, Michigan Historic Preservation Network and Youth Arts Alliance. Director Watson discussed the Services to the Field Program and Regional Regrantors programs, asking the Council to approve their invitations to apply. Debbie Mikula motioned to approve; Anne Belanger seconded the motion. The motion carried unanimously. CARES Act funding through the NEA was discussed, including the launch of the grant guidelines, a special Council meeting will need to be held in May to approve the funding plan. MCACA, NASAA and CAN are working to stay update to date on the COVID-19 developments, reopening plans as well as the FY21 budget. As additional details become available, the information will be shared with the Council members.

**Other – Comments from the Audience:**

Omari asked again if there were any further comments, with there being none.

**Meeting schedule for FY 2019:**

June 17<sup>th</sup> – Marquette Arts & Cultural Center, Marquette

**Michigan Council for Arts & Cultural Affairs Council Meeting**  
**April 16, 2021**  
**MEETING MINUTES**

A meeting of the Michigan Council for Arts & Cultural Affairs [MCACA] was held on Friday, April 16, 2021.

**Members Present (via phone):** Omari Rush, Deborah Mikula, Nheena Ittner, Sigal Henry, Xavier Verna, Tyler Rossmassler, Ara Topouzian, Anne Belanger, Gretchen Gonzales-Davidson, Anessa Kramer, Joori Jung, Rick Truer, Darryl Brown

**MCACA Staff Present (via phone):** Alison Watson, Adam Wheeler, Ashley Minarik, Chad Swan-Badgero, Jeff Garrett

**Absent:** Jessica Care Moore, Cézarne Charles

Chairman Omari Rush called the meeting to order at 1:06 p.m.

**Welcome and Introductions:**

Chairman Omari Rush welcomed everyone to the Council Meeting for April 16, 2021. Omari had the Council members, MCACA Staff and guests introduce themselves.

**Approval of Consent Agenda:**

Omari asked if there were any changes to the January 2021 Council Meeting Minutes, or questions regarding the consent agenda with there being none, Nheena Ittner motioned to approve the consent agenda and Deborah Mikula seconded the motion. The motion carried unanimously.

**Chair's Report:**

MCACA Chair Omari Rush thanked everyone for joining the meeting. He recognized and thanked the staff for all of their hard work. He thanked all those involved in making Arts Advocacy Day a success, with special recognition to our partner the Cultural Advocacy Network of Michigan. Chair Rush thanked Gretchen Gonzales-Davidson for her passion and new energy she has brought to the Council and to the work as Vice Chair. He provided an update on the National Endowment for the Arts appointees under President Biden. To date, they are doing a great job of connecting. They hope to appoint a permanent a Chair soon. As a reminder the National Assembly of State Arts Agencies (NASAA) has several learning services available, he encouraged our Council members to take advantage of this. One to highlight is the Creative Recovery plan, getting artists to work and how to mobilize state and federal dollars around this.

**Director's Report:**

Director Alison Watson thanked the Council and the staff for their ongoing support of the work MCACA does. Director Watson shared that the FY22 grant programs are up and running, that staff has open office hours to assist with the completion of the applications. Two surveys have been sent out, the first being around the impact of the pandemic, both financially and programmatically. The other survey asked questions regarding programs and services based around the new program initiatives we are working on. Director Watson is in communication with budget offices regarding the ARP funding that is expected to be allocated. As more information becomes available, it will be shared. Director Watson asked for the Council to consider the Regional Partnership and Services to the Field invitations. The Regional Partnership program will see no changes in funding or scope of services as related to the

**Michigan Arts & Culture Council Meeting  
April 29, 2022**

**MEETING MINUTES**

A meeting of the Michigan Arts and Culture Council [MACC] was held on Friday, April 29, 2022.

**Members Present (via Zoom or in person):** Deborah Mikula, Nheena Ittner, Ara Topouzian, Anne Belanger, Greichen Gonzales Davidson, Joori Jung, Cézarne Charles, Amy Spadafore, Ritonda Welsh, Germaine Williams, Kate Yancho, Darryl Brown and Annessa Kramer

**MCACA Staff Present (via Zoom or in person):** Alison Watson, Adam Wheeler, Ashley Minarik, Chad Swan-Badgero, Jeff Garrett, Alex Flannery, Jackie Lillis-Warwick

**Absent:** Jessica Care Moore, Sigai Hemy

Chairperson Gonzales Davidson called the meeting to order at 1:11 p.m.

**Welcome and Introductions:**

Chairperson Gonzales Davidson welcomed everyone to the Council Meeting for April 29, 2022. Chairperson Gonzales Davidson thanks Xavier Verna, Executive Director of the Ramsdell Regional Center for the Arts for hosting us today. Thanked the volunteers who provided tours of the Vogue Theatre and the Ramsdell. Chairperson Gonzales-Davidson had the Council members and MCACA Staff introduce themselves.

**Approval of Consent Agenda:**

Chairperson Gonzales Davidson asked if there were any changes to the January 2022 Council Meeting Minutes, or questions regarding the consent agenda with there being none, Kate Yancho motioned to approve the consent agenda and Ara Topouzian seconded the motion. The motion carried unanimously.

**Chair's Report:**

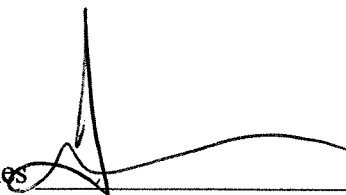
Chairperson Gonzales Davidson revealed the new MACC logo and thanked the Marketing/Communications Team at the MEDC for their work. Thanks to MACC staff and the Council, our digital footprint is improving. She encouraged all Council members to continue to share stories and content. Chairperson Gonzales Davidson announced her appointment to the National Council for the Arts, her term with the National Endowment for the Arts will begin in June 2022. Strategic planning for the Council will happen in June 2022, logistics are still being confirmed but it will take place in Detroit. Committees will begin work on their tasks soon, additional information coming soon.

**Director's Report:**

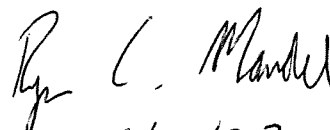
Director Alison Watson provided an overview of the current focus points including, the introduction of the art therapy bill to certify and regulate art therapy in our state. The regional arts organizations from across the country will be convening in Detroit next week. Director Watson just returned from the Arts Midwest Directors Summit, where conversations regarding the new strategic framework of AMW were discussed. Happy to announce partnerships within the MEDC continue to grow with Alan Higgins from SHPO joining the team on the FY23 grant workshop series, a joint presentation with the CAT RAP program and our own Capital Improvement program and the finally the MEDC realignment which moves

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Sincerely,  
Tedda Hughes



8/15/23



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RYAN C. MANDEL  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF EATON  
MY COMMISSION EXPIRES Oct 11, 2027  
ACTING IN COUNTY OF Clinton