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### JEFFERSON CIRCUIT COURT

DIVISION

KISH CUMI PRICE

**PLAINTIFF** 

v.

<u>VERIFIED COMPLAINT</u> <u>(Filed Electronically)</u>

THE LOUISVILLE URBAN LEAGUE, INC.

Serve: Sadiqa N. Reynolds 1535 W. Broadway Louisville, KY 40203

**DEFENDANT** 

\*\*\* \*\*\* \*\*\*

The Plaintiff, Kish Cumi Price, brings this civil Complaint against the Defendant, The Louisville Urban League, Inc., (hereinafter "Defendant"), seeking damages for retaliation.

- This action sets forth claims that arise under the law of the Commonwealth of Kentucky.
- 2. The Defendant's wrongful acts set forth in the Complaint herein occurred in Jefferson County, this judicial district.
  - 3. Price was at all times complained herein a resident of Jefferson County, Kentucky.
- 4. This Court has jurisdiction as Price affirmatively pleads that she seeks monetary damages aggregating more than the jurisdictional threshold of this Court.
  - 5. The Defendant is a nonprofit service organization.
- 6. On September 29, 2022, the Defendant and Price signed an employment contract in which Price would begin working for Defendant on November 1, 2022.
- 7. In October 2022, Defendant announced Price to be its incoming President and Chief Executive Officer (CEO) after a three-month national search.
  - 8. Price's first day on this job was in fact November 1, 2022.

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- 9. On her first day, Price began to be informed of and began to witness what she WLKY believed to be the Defendant misappropriating grants and other funding.
- 10. Price also began to witness what she believed to be conflicts of interests of some of the Defendant's Board Members and Officers.
- 11. On that November 1, 2022, Price was informed that \$2 million of a \$5.7 million gift had been used to pay off a loan.
- 12. However, this loan payoff necessitated the Defendant informing one of its partners and largest donors, Humana, Inc., so to reconfigure one of the partners committed funding streams.
  - 13. Price learned that the Defendant had not informed Humana/CenterWell.
- In early January 2023, the National Urban League's education division informed 14. Price that the Defendant was out of compliance because the Defendant had not properly met its reporting standards with respect to how it used education funding.
- 15. Shortly thereafter, Price was told conflicting information from the Defendant's Chief Financial Officer (CFO) Anthony Leachman and the Chief Development Officer (CDO) Sarah Graves regarding Defendant's Center for Policies employees. The two Officers gave conflicting information about whether these employees were billing towards a grant specifically designated for these employees or using a source not designated for such use.
- 16. Concerned, on January 17, 2023, Price informed the Defendant's Board at its bimonthly meeting what she learned from the National Urban League and that she would get to the bottom of it by the next Board meeting on March 21, 2023.
- 17. In the meantime, Price informed the Board that she had commissioned an outside auditor to get a proper assessment of the state of the overall operational and financial health of the organization.

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- 18. Between the January 17, 2023 Board meeting and March 17, 2023, Price continued WLKY to learn of more increasingly alarming information.
- 19. Price was informed by the National Urban League that in addition to the Defendant being out of compliance with respect to its education reporting, it was now out of compliance with regard to how it used federal health grants.
- 20. Price then discovered that the Defendant had used a \$1 million grant awarded by the Brown-Forman Corporation for education purposes, and which Brown-Forman made clear to the Defendant it was not to use the grant in any way towards the Norton Healthcare Sports & Learning Center (hereinafter "SLC").
- 21. Upon learning this information, which Price had concluded the Defendant's Chief Operating Officer (COO) Rhonda Mitchell had intentionally kept from her as well as other conflicts of interest from her regarding the interests of the Defendant, the SLC, and the President of the SLC, Price fired Mitchell.
- 22. Conflicts of interest regarding the Defendant and the SLC included shared headcount of staff without allocating proper funding for salary. In essence, Defendant's employees were expected to work for the SLC, directed by the President of the SLC, while being paid by the Defendant.
- 23. The SLC is an entirely separate and distinct 501(c)(3) from the Defendant. Therefore, any comingling of grants between the two without clearly distinct parameters would be improper and potentially illegal.
- When Defendant hired Price, it was stated in writing that Price had no 24. responsibilities with respect to the SLC other than Defendant utilizing space at the SLC.
  - 25. The President of the SLC is Sadiqa Reynolds.

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05/19/2023 05:42:47 26. Reynolds is the Defendant's prior CEO and immediate predecessor of Price.

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- Reynolds called the Defendant's Board Chair after midnight when she found out 27. that the COO was fired and sent a group text to Price and the Board Chair Kimberly Sisnett the following morning to express her disapproval.
- 28. This COO Mitchell serves as the board treasurer of the SLC and Price was concerned of what was becoming an evident conflict.
- 29. Quickly after Price fired the Defendant's COO, Price and the Defendant's Board Chair met with Reynolds to discuss her concerns, wherein Reynolds shockingly asked Price and the Board Chair Sisnett, "Am I in trouble?" Reynolds next warned Price that she, Price, had better watch whom she fires from thereon.
- 30. The Defendant's CFO told Price directly that Reynolds had abruptly removed previous Board members who questioned the finances of the Defendant and the SLC by invoking their time limit on the Board in a successful effort to remove those who had asked such questions. This removal happened during Reynolds' last Board meeting as President and CEO on October 14, 2022 – just minutes before Price was announced as the incoming President and CEO of the Defendant.
- 31. On March 10, 2023, Price called a special meeting of the Board of Directors to address concerns from Board members who began questioning the resignation of the Director of Programs & Strategy, Chistina Shadle, less than twenty-four (24) hours after the resignation letter was submitted to Price.
- 32. During that meeting, Price confirmed that the Director of Programs & Strategy had freely submitted her resignation the previous week. Price also informed the Board that she, Price,

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- had discovered more conflicts of interests that she planned to raise with the Board during the next WLKY Board meeting scheduled for March 21, 2023.
- On or about March 15, 2023, Price and the Defendant's development staff met with 33. the Sisters of Nazareth.
- 34. The Sisters of Nazaeth had pledged a \$2.5 million grant to the Defendant to build 50 homes at \$50,000 for each home.
- 35. By March 15, 2023, the Sisters of Nazareth had given \$1.5 million of the grant to build thirty (30) homes.
- 36. At the meeting, the Sisters of Nazareth informed Price that the Defendant had only built six (6).
- 37. The Sisters of Nazareth wanted to know where the money was before they gave any more of the grant to the Defendant.
- 38. Price discussed the matter with the housing development partners, who informed Price that the Defendant's CFO and COO were inexplicably slow to release the monies which impacted their ability to secure properties.
- 39. Price met with the Defendant's CFO Leachman on Friday March 17, 2023 to prepare for the Defendant's Finance and Audit Committee meeting, which was to take place on March 20, 2023.
- 40. Price made clear to CFO Leachman, and in an email to the Board Chair, that as CEO she intended to cooperate with a National Urban League's request for an audit.
- 41. At this meeting, Leachman disclosed the frightening information to Price that he was acting as the unofficial CFO of the SLC the entire time she had been the Defendant's CEO and that his contract with the Defendant had not been updated.

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- 42. Furthermore, Leachman had a consulting business of which he had clients who contracted with the SLC. Leachman had been pushing the Defendant to support the utilization of the SLC's facility by his clients and share profits with the SLC, to the detriment of the Defendant.
- 43. On Monday, March 20, 2023, the Board fired Price immediately before the Finance and Audit Committee meeting in direct retaliation for her performing her statutory obligations as the President and CEO.
- 44. The Board Chair Sisnett said directly and unequivocally to Price that the firing was not for cause.
- 45. However, two days later, on March 22, 2023, Board Chair Sisnett wrote an email to Price stating that the Board had fired Price for cause. Sisnett was unable to articulate any cause.
- 46. On May 17, 2023, Sisnett delivered a letter to Price where she admitted that the Board did not have any articulable justification for firing Price.

### COUNT I

- 47. The Defendant fired Price contrary to fundamental and well-defined public policies, including, but not limited to, KRS 273.215, KRS 273.229 and KRS 514.070.
- 48. Defendant retaliated against Price by firing her because she worked to abide by her obligations and/or refused to violate Kentucky law and/or commit a crime. Defendant had otherwise no legitimate reason for firing Price.
- 49. Defendant's retaliation against Price has caused, continues to cause, and will cause her in the future, substantial damages for pecuniary losses in the form of lost wages and lost benefits, as well as substantial damages for humiliation and embarrassment, all of which she is entitled to recover from Defendant.

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50. That the conduct, actions and/or inactions of Defendant were so grossly reckless and/or so grossly negligent and/or wanton and/or intentional so as to entitle Price to an award of punitive or exemplary damages in an amount far in excess of that amount required to establish the jurisdiction of this Court.

WHEREFORE, the Plaintiff, Kish Cumi Price, respectfully demands judgment against the Defendant, the Louisville Urban League, on her claim as follows:

- 1. Actual and compensatory damages in an amount to be presented at trial, including lost compensation and benefits;
  - 2. Reimbursement for costs and attorney fees expended herein;
  - 3. Injunctive relief, including reinstatement of her position without loss of seniority;
  - 4. Punitive damages;
  - 5. Trial by jury;
  - Any and all further relief to which she is entitled. 6.

#### MORGAN POTTINGER MCGARVEY

By: <u>/s/ Thomas R. Coffey</u>

Thomas R. Coffey (Bar #91951) J. Morgan McGarvey (Bar #92133) 401 South Fourth Street, Suite 1200 Louisville, KY 40202 (502) 589-2780

Presiding Judge: HON. MELISSA LOGAN BELLOWS (630454)

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## VERIFICATION

**WLKY** 

I, Kish Cumi Price, do hereby state that the allegations contained in the above Verified Complaint are true and correct to the best of my knowledge and belief.

COMMONWEALTH OF KENTUCKY

) SS:

COUNTY OF JEFFERSON

Sworn to and subscribed before me by KISH CUMI PRICE this May 19, 2023.

**NOTARY PUBLIC** 

My Commission Expire

