

## Clackamas Co. lawsuit alleges misuse of funds intended for disabled caregivers

BY JAKE THOMAS  
STAFF WRITER

A lawsuit alleging widespread corruption in its social service programs has been filed against Clackamas County.

Filed Nov. 17 by Galina Burley, a former human services manager with the county, the lawsuit states that Clackamas County's Social Services Division improperly made payments from a fund meant to help people caring for disabled family members to the agency's staff. The lawsuit alleges that the funds were then used by the agency's staff to pay for travel, lodging, personal computers, facials and massages. It also states that money was embezzled from a program that manage the finances of some of the county's most vulnerable people.

While the lawsuit alleges widespread misuse of funds in Clackamas County social service programs, the litigation focuses on the county's Family Caregiver Support Program, which provides financial and emotional support to unpaid individuals providing in-home care to a family member. According to the lawsuit, the program's coordinator was approving grants for unqualified caregivers without proper documentation for expenses not in line with the program.

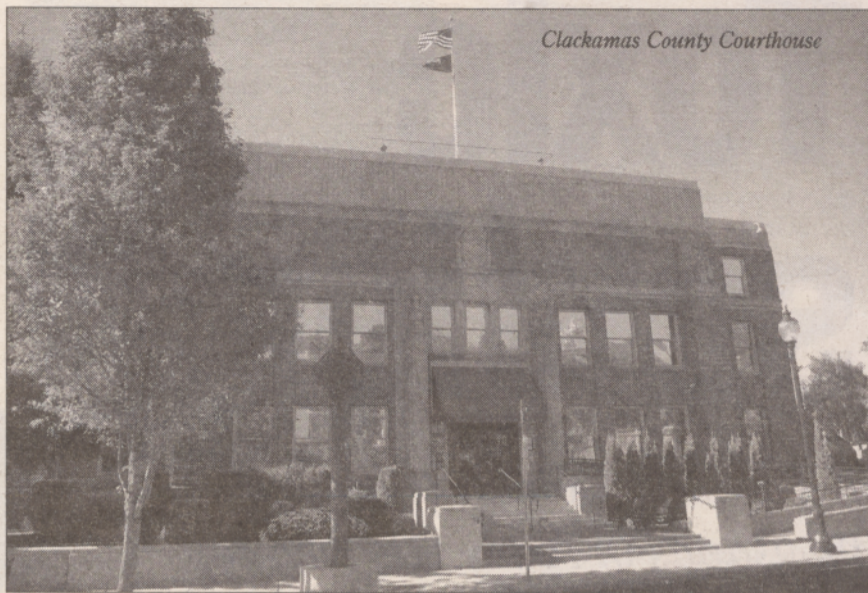
The lawsuit states that Burley also sought

to address "apparent embezzlement" in Clackamas County's Money Management Program. Easter Seals Oregon, a nonprofit that works with disabled people, contracts with the county to provide the program, which aids seniors and disabled individuals in managing their federal benefits. The program serves as a representative payee, an individual or an organization tasked by the Social Security Administration with administering the federal disability or old-age benefits of individuals who, due to a physical or cognitive impairment, need help managing their money.

In fiscal year 2012, there were about 5.9 million representative payees who managed \$72 billion annually for 8.4 million beneficiaries.

Over the last decade, government watchdog agencies have issued a stream of reports raising serious issues with the Social Security Administration's ability to monitor the program and prevent fraud and abuse from occurring. This spring, Street Roots reported on a federal investigation into Oregon's largest payee service, Safety Net, and its subsequent closure. That investigation is ongoing.

Burley's lawyer wouldn't comment on the case, and a spokesperson for Clackamas County didn't respond to Street Roots' questions by press time.



Clackamas County Courthouse

Easter Seals Oregon contracts with local government agencies and nonprofit groups across the state to manage its payee service for 500 clients. David Chevallier, the president and CEO of Easter Seals Oregon, said that his organization has contracted with Clackamas County for the past seven years to provide the payee service to 300 clients.

He said that the program undergoes

regular audits, which haven't uncovered any evidence of embezzlement. Chevallier also said that all organizations that contract with Easter Seals of Oregon for its payee service are required to notify it if there are problems with the program.

"We haven't been notified," he said. "They've been a great partner for the last seven years."

## Governor's budget promises a new infusion to affordable housing

BY EMILY GREEN  
STAFF WRITER

Gov. John Kitzhaber's proposed budget includes an unprecedented investment of \$100 million to increase housing for homeless families with children – a hefty investment when compared with a similarly funded investment of only \$7.5 million during the last budget cycle.

"Oregon cannot meet any of its long-term health or education goals when children are homeless, and Oregon should find the very idea of homeless families to be unacceptable," Kitzhaber states in the budget plan.

Last month Street Roots reported that 20,000 Oregon students experienced homelessness during the 2013-14 school year.

"I'm thrilled that the governor recognizes the role housing plays in achieving state goals," said Janet Byrd, executive director for Neighborhood Partnerships, a member

of the Oregon Housing Alliance. "We are excited to be a part of this historic investment."

She also said that because this would be paid for with bonds, the rent could be very low and house those who are at the greatest risk of being homeless.

Alison McIntosh with Oregon Housing and Community Services says the investment would help OHCS double its affordable housing production for five years, building an additional 5,000 homes in Oregon. Funding would come from a combination of lottery and general obligation-backed bonds.

It would be the first time that general obligation bonds are used to fund affording housing development.

In Multnomah County alone, authorities calculate that there are 23,000 fewer affordable homes than there are households that qualify for them. This creates a scenario where many Oregon families must choose between paying rent and buying medicine or

groceries.

"While I am still digesting Gov. Kitzhaber's budget, I can tell you I am cheering the \$100 million in bond funding he has marked to build affordable housing for families," says Multnomah County Chair Deborah Kafoury. "As we know at Multnomah County, a stable home is necessary for success, whether it's tackling a drug addiction, seeking treatment for mental health issues or graduating from high school. Every family in our community deserves access to safe, stable housing. Unfortunately, too many families in our community are struggling. People are doubling up, they're in shelters, they're on the street. It's a crisis. This investment will not only create jobs, it will save lives."

Even if it clears the legislative process, the governor's proposal is not a slam dunk. Byrd says there are "technical issues" within Article 11 of the Oregon Constitution that would need to be amended to allow for the governor's affordable housing proposal to go into effect. But she says, she does not believe it will prevent plans from moving forward. Until amended by a public vote, the constitution prevents Oregon lending its credit for such projects.

The governor's budget for the

Department of Human Services increased by 7.8 percent from the last cycle. In the DHS arena, Kitzhaber plans to redesign the Temporary Assistance for Needy Families program and increase investments in Employment Related Day Care, which has long been on the state chopping block when budgets are tight.

The governor's budget also includes a \$53.2 million increase in the states investment in community mental health and addiction services and a \$1 million investment to expand 211Info, the toll-free phone line that connects Oregonians in need with support programs.

Formerly with the state, Liesl Wendt is the recently appointed director of Multnomah County's Department of Human Services. She says that the proposed budget recognizes the interconnection of family needs.

"We know it takes housing, safe and quality child care, basic needs support and a path out of poverty through education and employment for families to be successful," Wendt told Street Roots. "This budget addresses all these areas and provides much needed hope for people who are struggling to support their families."

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