
Tip report

Abuse of Position: Hotline tip identified county employee's use of their position to seek personal benefits.

Executive Summary

Through the Good Government Hotline, the County Auditor's Office received a report regarding a county employee attempting to receive benefits – in the form of cash payments – from a program under their purview.

Our investigation revealed that a county employee pressured a partner agency to provide financial benefits on behalf of the county employee's family member. The county employee was to be the beneficiary of this financial benefit – a \$10,000 direct payment to cover the family member's rent in the employee's home. Our investigation revealed that the county employee had previously received \$10,000 as rent assistance on behalf of this same family member. The employee had oversight responsibility for the rent assistance program, and over the contract with the partner agency, and did not disclose the family relationship or the conflict of interest to either the county or the agency.

Our office considered aspects of the payment requests to be potentially criminal, and notified law enforcement.

Abuse of Position (ORS 244.040)

A public official may not use or attempt to use their official position or office to obtain financial gain or avoidance of financial detriment for the public official, a relative or member of the household of the public official, or any business with which the public official or a relative or member of the household of the public official is associated, if the financial gain or avoidance of financial detriment would not otherwise be available but for the public official's holding of the official position or office.

Investigation Results

A client came to a county partner agency in April 2022 seeking rent assistance – in the form of a \$10,000 cash payment to their alleged landlord, who is the county employee – for past due and current rent. The county partner agency informed us that they had worked with the client in the past, and had decided not to provide services to the client, based on the client’s lack of participation in its programs. However, the client continued to pursue the assistance.

Separately, the county employee used their county relationship with the agency to advocate for benefits for the client, who was a family member. The employee did not disclose this relationship. The agency, which described feeling pressure from the county employee but concerned about the potential impropriety of making the payment, did not process the request.

As we investigated, we learned that the partner agency had previously, in June 2021, approved a \$10,000 direct payment to the county employee, on behalf of the same client. In the application, which the county employee signed as the landlord, the county employee indicated being due \$10,000 in payment from the client for past and current rent due. The application was processed and the \$10,000 payment was made to the county employee. The employee did not disclose the relationship at this time either.

We were concerned that aside from this county employee’s apparent abuse of position, the employee’s conduct may be criminal. Pursuant to our internal policies and *Oregon Revised Statute (ORS) 297.765, Policies and procedures for local government waste hotline*, we notified law enforcement. The Multnomah County Sheriff’s Office investigated and submitted a report to the Multnomah County District Attorney.

The Auditor’s Office concluded that the county employee violated *ORS 244.040 Prohibited use of official position or office*, because they used their position at the county to obtain financial gain, which would not have been available but for their position. Pursuant to our internal policies and *ORS 297.765, Policies and procedures for local government waste hotline*, we notified the Oregon Government Ethics Commission, and county human resources.

As of the date of this report, the employee no longer works at the county.

Recommendations

The Auditor's Office recommends the following:

1. Central Human Resources should add additional questions to the Code of Ethics Disclosure form, which will help determine with greater reliability whether an employee has a conflict of interest (we made a similar recommendation to county leadership in April of 2020). A question asking employees about any relationships with the employees or clients of county partner agencies seems appropriate, as does asking whether employees have financial interests related to the area(s) in which they work at the county. For example, a county employee who works in rent assistance at the county and is a landlord should disclose this to the county due to the potential conflict of interest.

About Hotline Investigations

A hotline investigation is not an audit. We follow our detailed procedures in the investigation of hotline tips, which include a preliminary review of the tip and an investigation when our preliminary review indicates it is necessary.

We follow all of the requirements of *Oregon Revised Statute 297.765, Policies and Procedures for Local Government Waste Hotlines*. Our compliance with ORS 297.765 requires us to determine in writing whether activities are occurring that constitute waste, inefficiency, or abuse. The statute allows us to include other pertinent information in our determination. When we determine that waste, efficiency, or abuse has occurred, we are to deliver our findings to the Board of County Commissioners.

Response Letter

Office of the Chief Operating Officer and Department of County Management



Chief Operating Officer and DCM Director

April 7, 2023

Jennifer McGuirk
Multnomah County Auditor
501 SE Hawthorne, Suite 601
Portland, OR 97214

Dear Auditor McGuirk,

We appreciate you forwarding this tip to Multnomah County to address as an employment matter. I echo your thanks and want to share my appreciation to our county partners, particularly department staff, the County Attorney's Office, MCSO and DA's Office.

Acting with integrity is one of the 10 Core Competencies we expect of all employees. When our employees act with integrity they do so in a manner that is consistently truthful, reliable, trustworthy and transparent in words and actions. And overall they show a high regard for Multnomah County's Code of Ethics.

As with all Good Government Hotline tips we took this allegation seriously, immediately addressed the situation and followed up with appropriate action.

We look forward to continuing to partner with your office and other county staff to collaborate on any other hotline tips that arise.

Sincerely,

A handwritten signature in black ink that reads "Serena Cruz".

Serena Cruz
Multnomah County, Chief Operating Officer