

S A N F R A N C I S C O

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Accountability at GLBT groups

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THE NEED FOR accountability in gay/lesbian/bisexual/transgender organizations is crucial for all of us. Members of our community and supporters who deny the importance of accountability, or who refuse to acknowledge that mismanagement of funds leads to loss of services, are, intrinsically, part of the problem.

LGBT organizations are neither more prone to, nor immune from, these abuses than straight organizations. Unlike straight society, however, we have constructed various rationales for not recognizing or dealing with abuses publicly.

A number of LGBT community centers around the country have had accountability problems. The Sacramento center had an embezzlement scandal, as did Orlando's. In Los Angeles, accountability activists are demanding that the Gay and Lesbian Center restore cuts in services by reopening Ed Gould Village during the day, which affects retired seniors, the homeless and area youth. Activists there are also demanding the L.A. center open its board meetings to public attendance.

LGBT events are fertile with abuses. The FBI has been unable to solve the alleged theft of \$750,000 from Millennium March revenues. In St. Louis, the treasurer of the city's pride parade was indicted on embezzlement charges. The managing director of the 1998 Gay Games in Amsterdam was fired over a \$500,000 deficit.

In Florence, S.C., the former executive director of an AIDS organization plead guilty to embezzling more than \$30,000. In Puerto Rico, \$2.4 million was embezzled from the San Juan AIDS Institute for use in political campaigns. The openly lesbian former mayor of West Hollywood was indicted by a federal grand jury on 14 counts of misappropriation and embezzlement from a federally-funded program. In Philadelphia, ActionAIDS withdrew its appointment of an executive director after learning he had been imprisoned for embezzlement of \$57,000 from a San Francisco youth agency. A grand jury found the former director of the Philadelphia Community Health Alternatives had embezzled \$52,000. In San Francisco, \$2.7 million in AIDS housing funds were allegedly mismanaged by Eric Rofes, executive director of Shanti; both Rofes and his deputy, a former health commissioner, were fired. In Seattle, the Northwest AIDS Foundation lost \$300,000 when an employee embezzled funds.

Had the accountability spotlight shone on Palotta TeamWorks' AIDS rides years ago, Dan Palotta's alleged scheme may have been exposed much sooner. Sadly, the AIDS walks also provoke intense controversy about overhead expenses and dwindling financial returns.

LGBT media -- fearing loss of advertising revenue -- have collectively failed to investigate and report unspent Ryan White CARE Act AIDS funds. Last year, \$1.7 million in S.F. and \$4.8 million in San Juan went unspent. In New York City, \$28 million of CARE funds went unspent between FY 1998 and FY 2000.

It's time to speak up against abuses that exist in our LGBT organizations. From these scandals, we should learn how necessary it is to have ethical financial stewards, to be vigilant in maintaining checks and balances, and to audit thoroughly, since no one is immune to temptation. Rather than trying to squelch audits, we should aggressively pursue them in order to restore trust in our community organizations.

In the wake of the Enron scandal, we need to acknowledge that the urge to cook the books in order to hide misdeeds from the public is, unfortunately, pretty common. Criminal misuse of community and federal funds undermines the efforts of all AIDS and LGBT organizations. We need more internally imposed accountability and audits, not fewer.

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