



CITY OF PORTLAND

Office of City Auditor Mary Hull Caballero

Ombudsman's Office

Margie Sollinger, Ombudsman

1221 S.W. 4th Avenue, Room 320, Portland, Oregon 97204

phone: (503) 823-0144

web: www.portlandoregon.gov/auditor/ombudsman



PRESS RELEASE

March 30, 2015

Ombudsman Investigation Leads to Oregon DOJ False Claims Settlement

PORTLAND, OREGON – CITY HALL – On March 25, 2015, the Oregon Department of Justice entered into an agreement with former City subcontractor, Elkins Masonry Restoration, Inc., requiring it to relinquish its State certification as a minority- and women-owned business enterprise and to pay \$15,000 to settle the State's allegations under the Oregon False Claims Act. Elkins denied any wrongdoing or liability.

An investigation into Elkins began in 2013 with a complaint to the City of Portland's Office of the Ombudsman, a division of the elected Auditor's Office. The Ombudsman conducted a preliminary investigation and found evidence that appeared to show that Elkins may have acted as a pass-through for a non-certified firm on construction projects funded by the Portland Housing Bureau. The Ombudsman referred the case to the Oregon DOJ for further investigation.

"Subversion of the City's social equity contracting program undermines efforts to reverse historic discrimination and deprives bona fide minority- and women-owned businesses of work on City projects," said Ombudsman Margie Sollinger. "The City is committed to ensuring the integrity of its program and has spearheaded state legislation that gives it additional enforcement authority to address alleged fraud."

The Office of the Ombudsman would like to thank the construction industry whistle-blowers for coming forward, Commissioner Dan Saltzman for referring the initial complaint, and the Oregon DOJ for bringing closure to this case.

Contact:

Office of the Ombudsman

1221 SW 4th Ave, Room 320

Portland, OR 97217

Phone: (503) 823-0144

E-mail: ombudsman@portlandoregon.gov

Website: <http://www.portlandoregon.gov/auditor/ombudsman>

Established in 2001, the Office of the Ombudsman is an independent, impartial office, readily available to the public, responsible to the City Auditor, empowered to investigate the administrative acts of City agencies and to recommend appropriate changes toward the goals of safeguarding the rights of persons and promoting higher standards of competency, efficiency and justice in the provision of City services.

###