



Lucrative contract for former state manager leads to investigation inside Oregon agency

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Robin Harpster, state Facilities Division administrator

SALEM -- A contract that allowed a state manager to retire and then return to work as a \$90-an-hour consultant is at the center of a decision to put two top executives at the Oregon Department of Administrative Services on paid leave, The Oregonian has learned. The contract, which did not go through a bidding process, came to light during a legislative hearing on the department's budget, when a worker complained about potential layoffs of front-line staff while the consultant received thousands each month along with an executive office and travel expenses.

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The consultant, Valerie McBride-Cater, has been paid just under \$400,000 since January 2008.



Scott Young, state Facilities Division deputy administrator

Days after the hearing, the contract was abruptly canceled and the department's new director, former Metro executive Michael Jordan, ordered an investigation.

Citing "issues concerning business management practices," Jordan put Robin Harpster, head of the agency's Facilities Division, and her deputy, Scott Young on paid leave last week.

State officials have refused to answer questions about the investigation and employees have been told not to speak to reporters. But Lonh Hoklin, a department spokesman, confirmed Tuesday that cancellation of the contract is "part and parcel of the investigation."

The questions swirling around the department's Facilities Division come as lawmakers are scrutinizing state budgets for savings to help plug a \$3.5 billion shortfall.

The Facilities Division manages building operations and maintenance for state government. That includes purchasing, construction, leasing and sale of state properties in Salem and elsewhere. In total, the division will spend \$118 million in its current, two-year budget.

Rep. Nancy Nathanson, D-Eugene, co-chair of the committee that drafts the department's budget, said she became concerned about the agency's spending decisions after listening to the public testimony. She said she talked to Jordan and advised him to review the testimony.

"We're looking at serious cuts, and we can't afford to pay for things that are not necessary, or that we're paying more than we need to," Nathanson said Tuesday.

--**Michelle Cole** and **Harry Esteve**

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