New Beginnings of Tampa: A Question of Ethics?

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Nonprefit organizations (NPOs) that serve the homeless, mentally ill, or those suffering with drug or alcohol addictions, many of which rely on donations and government grants to survive, are often the subjects of intense scrutiny by the press. New Beginnings of Tampa, an NPO offering transitional housing to veterans and civilians in crisis, was no different. In a series of investigative articles, the organization was accused of unethical labor practices and misuse of public funds. Although the organization was quickly cleared of any wrongdoing, the damage was costly.

THE ORGANIZATION

New Beginnings of Tampa (NBT), founded in 1998, was a large 501(c)3 Non-Profit Organization (NPO) that provides transitional housing to the homeless, veterans and civilians alike. The organization not only offered programs that provide emergency food and shelter to individuals in need, but also offered a long term transitional housing program that included counseling for those who arrive with mental health or substance abuse issues and opportunities for job training (New Beginnings, 2009). According to its website, the NPO served more than 200 people a day.

The organization was supported in part through federal funding, access to program participants' benefits (monthly V.A. allotments and H.U.D. housing vouchers), profits from three thrift stores, and income earned from those in the work program (New Beginnings 2009). The work program allowed residents to work in labor crews at various sporting events, construction sites, and in landscaping, telemarketing, moving, painting, and grant writing fields (Hobson, 2014).

NBT appeared to have no real assets with the exception of the real estate owned. The properties were estimated to be worth about \$850,000, according to the Hillsborough County Property Appraiser's Office. The nine listed real estate holdings included a 36-bed emergency shelter, a 144-bed transitional housing complex comprised of several converted homes, and a furniture store that employs several of the NPO's residents.

The residents of NBT included those with mental health issues and or drug and alcohol addictions, who had nowhere to go. While residents were housed at the facility, they were expected to contribute by performing assigned work details and are required to be alcohol and drug free. Those who could not or would not abide by the rules would either decide to leave on their own or be asked to leave by the programs directors.

ITS FOUNDER

Known to many as Pastor Tom or PT, was the Founder of NBT. Although the organization had grown to include a sizable administrative and counseling staff, he still remained closely involved in the day to day operations of the organization, with the help of his wife. Tom Atchison had the energy and enthusiasm of a man half his age. He could often be seen shuttling residents to doctor appointments, shopping trips, and work details in a large white van that had obviously been in service for many years.

Tom was a deeply religious man, the son of a Pentecostal preacher, who had admittedly never tasted alcohol. He had been the Pastor of New Life Pentecostal Church of God in Tampa for 14 years. He received the City of Tampa 2009 Community Hero of the year award from Bank of America, was on the board of directors for Mission Tampa an outreach of Seminole Heights Baptist Church, and was the former Vice President and a current board member of Hillsborough Opportunity for Progress and Equality (HOPE) a group of 30 congregations and mosques united to promote social justice in the Tampa area.

According to a newspaper article, "Atchison, 63, does not live ostentatiously, a fact his supporters point to while defending him. The *Tampa Bay Times* reported that he took no salary as CEO of New Beginnings, and earned \$18,000 a year as pastor of New Life" (Hobson & Martin, 2014). The same article indicated that Atchison drove and old car, owned no real estate, and lived with his wife in a small home that cost him approximately \$800 a month in rent.

THE ACCUSATIONS

The *Tampa Bay Times* article on November 29, 2014, accused NBT of a number of unethical practices (Hobson, 2014). The article indicated that employees and residents alike said that Atchison had taken residents' social security checks and food stamps. In addition, the article stated that the men in what NBT called its "work therapy" program did not see the pay for the work that they performed as part of a work crew at local sporting events. Finally, a New Beginnings contractor told the *Times* that he had overbilled the state for approximately \$80,000 in grant money that he gave to the program rather than returning it.

A follow-up article on December 30, 2014, delved into the organization's financial information and Atchison's personal life (Hobson & Martin, 2014). The report indicated that Atchison's church was in debt to the tune of \$900,000 and he was struggling to save the property in federal bankruptcy court. Reportedly, the church's attorney asked the judge to allow him to use a Hillsborough County grant, intended to pay for emergency shelter services, to pay down the debt. A request that was denied.

Hobson and Martin's (2014) article also indicated that the NBT organization profited from performing unlicensed construction jobs after someone complained about a poor roofing job. One of the residents interviewed indicated that he had done many construction jobs to raise money for the NPO using what the article cited as "homeless volunteers." However, Hobson and Martin (2014) added that Atchison does not appear to have amassed any wealth.

THE DAMAGE

In 2014, NBT had submitted its application for the contract to run the Hillsborough County homeless shelter. On December 3, 2014, county commissioners awarded the two-year, \$3.2 million contract to run the county's homeless shelter to DACCO, an agency that specializes in the treatment of individuals with substance abuse and mental disorders (Hobson, 2014a). County commission Kevin Beckner reportedly said that "There are way too may red flags to consider restoring any county funding" and called for a federal investigation into NBT (Hobson, 2014a, para. 15). Hobson (2014) reported that the Florida Coalition Against Human Trafficking also urged a federal investigation into the practices at NBT.

On the same day, Centerplate, the organization which ran the concessions at local sporting events, announced that it was ending its relationship with New Beginnings of Tampa citing that it had been unaware that homeless men had been working at the games in exchange for their shelter (Hobson, 2014). Shortly after, Aramark, the concessions company for Raymond James Stadium, also ended its relationship with New Beginnings of Tampa (Levesque, 2015).

Perry (2016) reported the following:

Atchison said that the series of stories by the Times "had hurt us really bad financially," and estimates that the organization probably lost several hundred thousand dollars, mainly because the Department of Veterans Affairs had to put their funding on hold until the Department of Labor completed its investigation (para. 9).

THE FINDINGS

In response to the allegations of improper use of grant money, an investigation was undertaken by Florida Department of Children and Families, Office of Inspector General. The resulting report (Parks & Young, 2015) cited the reason for the investigation were the allegations contained in the Hobson (2014) news article that New Beginnings of Tampa had improperly allocated grant money that had been intended for the construction of transitional housing units. The report indicated that proper receipts and reports relating to expenditures had been submitted by NBT (Parks & Young, 2015).

In response to the allegations of labor violations, the U.S. Department of Labor (DOL) also undertook an investigation. The DOL Case #174138 reviewed alleged violations of the Fair Labor Standards Act (FLSA) by NBT, including overtime, recordkeeping, and minimum wage requirements from December, 2012 through November, 2014 (Parks & Young, 2015). The DOL discovered no violations and reported that NBT was found to be in compliance with FLSA requirements.

THE RESPONSE

NBT's website provides a number of articles refuting the allegations of wrongdoing. In addition, On February 19, 2015, A *Tampa Bay Times* article indicated that the federal investigation into the labor practices at New Beginnings of Tampa had been concluded with no findings of wrongdoing and that the NPO had been found to be in compliance with the Fair Labor Standards Act (Levesque, 2015). Perry (2016) reported:

Atchison remained bitter about the Times reporting, saying, "Their goal was to get me in jail or prison — get New Beginnings shut down and look like the hero of the day — you know, that we brought down the big evil giant of Tampa and that would win them a Pulitzer."

WHAT NOW?

Concerned that the allegations of wrongdoing had damaged the organization's reputation and would likely influence future grant opportunities, PT and the board of NBT realized that they needed to rebuild confidence in the organization and that they needed help to do so.