Tax Money Meant for veterans’ Care Spent on University Bus, New Furniture

Published: Friday, 10 May 2019 08:29
By Rick Brundrett - The Nerve

Over the last four fiscal years, $1.4 million in tax dollars flowed through three state social services agencies to an equestrian center operated by Lander University, a small, public liberal arts school in Greenwood.

But an investigation by The Nerve found that relatively little was spent to directly help S.C. citizens served by those state agencies. In fact, not one cent of $500,000 that Lander received last fiscal year was spent for a mandated veterans’ therapy program that was supposed to operate at the equestrian center but never was implemented.

Instead, that money was spent largely on routine operating expenses for the equestrian center – used by the university’s student equestrian team – the purchase of a bus, and the renovation of an off-campus building that the school bought in 2017, according to a school records and a top university official.

Although the total $1.4 million to Lander represents a relatively small part of the multibillion-dollar state budget, it reveals a larger problem: tax dollars funneled by lawmakers through obscure budget provisos and used for purposes outside the provisos – with little, if any, oversight or accountability.

Former S.C. Rep. Mike Pitts, a Laurens County Republican who resigned from office in January, pushed for state funding through a budget proviso to launch the Lander veterans’ therapy program in fiscal 2018, while his sister, Rhonda Pitts, a licensed professional counselor who retired in 2017 from the S.C. Vocational Rehabilitation Department (SCVRD), positioned herself to manage it, as The Nerve reported last month.

The $500,000 that Mike Pitts, a retired police officer and Lander alumnus who served on the budget-writing House Ways and Means Committee, helped secure was directed through SCVRD to Lander.

The budget proviso required that the money be spent on the “operation of the Equestrian Center,” and to “create a Herd 2 Human pilot program,” a veterans’ therapy program operated by Jeff Patterson of Clinton, Montana, though it didn’t provide a specific spending breakdown.

Another collective $900,000 was directed over the prior three fiscal years through the state disabilities and mental health departments for the equestrian center, though budget provisos authorizing the funds didn’t give details on the purpose of the appropriations. A spreadsheet provided this week to The Nerve shows that the annual $300,000 appropriation for those years was spent on center operations.

“I think I drafted them (budget provisos for fiscal years 2015 through 2017), but not sure,” Mike Pitts told The Nerve in a text message Wednesday. He added he would “check on those provisos”
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But did not provide follow-up response.

According to school records and officials, the proviso money, which largely came from state surplus funds, was the main revenue source for the equestrian center from fiscal 2015 through last fiscal year. Lander did not respond to written questions by publication of this story seeking details on certain listed expense categories for the center, and the percentage of funds spent directly on serving clients of the state disabilities and mental health agencies.

Despite a formal request in March by The Nerve under the S.C. Freedom of Information Act and follow-up written questions, the university has provided few records detailing how taxpayer money designated for the veterans’ therapy program at the equestrian center was spent.

Patterson, the creator of the Herd 2 Human program, told The Nerve that Lander officials never paid him any of the proviso money or informed him how specifically they intended to use the funds. In March 2017, before the $500,000 in state funding was appropriated, he held a three-day therapy session for veterans at the equestrian center, which was praised on video by participants and observers, including Rhonda Pitts and a state National Guard official.

Under his program, veterans interact with provided horses, though they don’t ride on the animals, to help them deal with Post-Traumatic Stress Disorder (PTSD), a serious mental health condition affecting many of the nation’s vets.

“The bottom line is, they (Lander) got $500,000, and there was never any boots on the ground,” Patterson said. “There were no veterans helped.”

On its website, Lander claims it ranks as the 15th best public college in the nation for veterans.

Patterson, a former private investigator, has filed complaints with the S.C. Office of Inspector General and the state procurement office. Inspector general Brian Lamkin on Tuesday told The Nerve an investigation by his office is continuing.

Although he didn’t discuss details of the investigation, Lamkin said the initial focus by his office is “on how the funds were arrived at each agency, so to speak, for the budget process,” adding, “The second thing, more importantly … is how the funds were applied.”

‘One of its kind’

Lander’s equestrian center, which began operating in fiscal 2013, is located on 37 acres on the Greenwood campus of the nonprofit Burton Center, which, according to the organization’s website, serves individuals with intellectual disabilities, autism, spinal cord and head injuries, and related disabilities in Greenwood County and five other counties.

In fiscal years 2015 and 2017, state budget provisos directed $300,000 each year through the state
Department of Disabilities and Special Needs to the equestrian center. In fiscal year 2016, $300,000 was transferred under a proviso to the center through the S.C. Department of Mental Health.

The idea for Lander’s equestrian center “began as the university searched for a new location to house its equestrian team, which had previously practiced at a local barn,” according to an October 2009 article in the Lander University magazine. Money to build the center was planned to “be rolled into the funding package for Lander’s Recreation, Wellness and Sports Complex,” the article said.

“When it is complete, the Lander University Equestrian Center will be the only one of its kind in South Carolina,” then-university president Daniel Ball said at the time.

Lander’s website says the center is a “unique partnership between the university, The Lander Foundation and Burton Center, a nonprofit, governmental agency providing services for people with disabilities and special needs.”

The university’s equestrian program is “ideal for students wanting to continue their equestrian training while earning a college degree or those seeking equestrian-related academic opportunities,” the website says, noting the equestrian center offers a “Therapeutic Horsemanship Minor, our Bearcat Therapeutic Riding Program and a competitive IHSA (Intercollegiate Horse Shows Association) Equestrian Team.”

Yet despite the variety of purposes that the center serves, Lander has relied primarily on state surplus funds through budget provisos to operate the center, according to school and state budget records reviewed by The Nerve.

Of the $500,000 it received last fiscal year through the proviso, Lander spent $321,690 on the operating budget of the equestrian center, according to a university spreadsheet provided Monday to The Nerve. Following is a breakdown of the expense categories:

- Temporary help: $65,178
- Animal supplies: $51,320
- Fringe benefits: $43,176
- Classified salaries: $42,260
- Unclassified salaries: $30,227
- Operating expenses: $25,657
- Utilities: $22,506
- Travel: $21,914
- Student work: $14,825
- Maintenance/Renovation: $4,627

The spreadsheet didn’t give more specifics under each expense category. University
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spokeswoman Megan Varner Price in an earlier written response said the equestrian center has two full-time employees and two part-time employees, plus a varying number of student workers each semester.

The spreadsheet listed different amounts in each of the expense categories under “Equestrian Operations” for fiscal years 2015 through 2017; total costs in those years were $390,104, $319,807 and $331,901, respectively. Excess expenses over the $300,000 in annual state funding during those years were covered with “Therapeutic riding fees, Student riding/boarding fees and sponsorships,” according to the spreadsheet.

Adam Taylor, chief of staff for Lander University president Richard Cosentino and the school’s lobbyist to the Legislature, said Tuesday the Burton Center annually gives a “small amount of money” to Lander through “therapeutic riding fees.”

Asked recently by The Nerve if any improvements were made to the center last fiscal year with the $500,000 in state funding, Sandy Garron, barn manager at the center, replied, “I’m sorry, I can’t speak to any of that.”

New bus, furniture

The Nerve on March 25 asked Lander, under the S.C. Freedom of Information Act, for records on how it spent the $500,000, part of which was mandated for the Herd 2 Human program. The only detailed expense documents that initially were provided showed that Lander spent $56,837 on the purchase of an “ADA (Americans with Disabilities Act) Compliant Bus.”

Patterson said Lander officials never informed him about purchasing a bus, nor was it part of his Herd 2 Human program.

When The Nerve asked Lander in a follow-up written request for other records on how the proviso money was spent, Price, the university’s spokeswoman, replied that those documents would “require a significant amount of staff time and record preparation.”

The university spreadsheet released this week shows that of the $500,000 that Lander received last fiscal year, $177,725 was spent under the heading titled, “PTSD (H2H) Start Up.” Below is a breakdown of those expense categories:

- Maintenance/Renovation: $76,355
- Vehicles: $61,327
- Furniture and Fixtures: $18,744
- Safety Upfit: $12,369
- Lease of Property: $7,200
- Travel: $1,700
Taylor, the university president’s chief of staff, said the $76,355 primarily was for the “upfitting of the office space for the Herd 2 Human program” at the former American Legion building in Greenwood that the university bought in late 2017.

Taylor said that project was part of a plan to move the veterans’ services office from the main campus to the American Legion building, adding the “Herd 2 Human and the PTSD pilot project were part of it, so we’re kind of on pause until we figure out what to do.”

University officials in a December 2017 story in the Greenwood Index-Journal newspaper made no mention of any plans to house the veterans’ services office or classrooms for the Herd 2 Human program at the American Legion building. In that story, Lander president Cosentino said the university planned to use the building’s large banquet hall to host university events.

Questioned about that story, Taylor replied: “The decision was made after purchase that we’re very tight on space on campus, so we wanted to move the veterans’ services and the PTSD (program) over there to use that space during the day. And, of course, it has a very large meeting area, and it can be used during the evening by student affairs, by our students, whatever is needed.”

Taylor said the $18,744 of the $500,000 was for new furniture and fixtures at the off-campus building, noting, “When the American Legion left, they took everything they had.”

As for the $7,200 in lease costs, Taylor said that amount was for the “Herd 2 Human PTSD program to help pay for the use of that part of the facility,” adding that “we have a note on that building.”

In response to Taylor’s comments and the spreadsheet, Patterson said none of those costs was associated with his program, and that he had no input on any of those expenditures. He also said the American Legion building – located about seven miles from the equestrian center – wouldn’t work for his program, noting, “Everything was to happen on site at the equestrian center.”

Although the proviso required that Lander create Patterson’s program, Taylor said the university was planning to move forward with a PTSD equestrian-therapy program for veterans, noting two university positions and a clinical consultant’s position were proposed.

But he said nothing happened after the state lawmakers decided not to renew the budget proviso for this fiscal year and instead provide $500,000 to SCVRD to fund its own “equine therapy” program.

The equestrian center’s budget for this fiscal year is $339,505, which Taylor said is being covered with university reserve funds, adding, “We’re still at this point trying to figure out how we fund this moving forward now that this (proviso) money has been removed.”
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Meanwhile, Patterson said many S.C. veterans who could be benefit from his program aren’t getting the help they need.

“I don’t know how they (Lander) can say, ‘Well, we decided not to do Herd 2 Human; we decided to do something else,’” he said.

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