

Written by

Friday, 21 August 2009 10:51 - Last Updated Friday, 21 August 2009 10:59

The News UpFront: (TOP STORY) as of Friday, August 21, 2009

The smoke of battle seems to have cleared after more than a week of heated and harsh exchanges between officials of NaFFAA and the inquiring minds of the media. A top official of Wells Fargo stepped in to confirm it had given \$.3-million to a co-founder of the organization, essentially clearing the incumbent chair, and giving a denial to some published reports. In the meantime, three former NaFFAA regional officers appealed for sobriety and civility on the part of the protagonists; another sought a "truce" while demanding transparency from the organization; and still another, vouched for the integrity of incumbent officials. The media appear ready to silence their guns, if only temporarily, to give NaFFAA and its officials a chance to show sincerity and accountability to the community it wishes to represent and speak for.

.....

A POSSIBLE CONFLICT OF INTEREST? Greg Macabenta Admits He Made Money from Wells Fargo Bank While Sitting as a Ranking

Written by

Friday, 21 August 2009 10:51 - Last Updated Friday, 21 August 2009 10:59

NaFFAA Official

By ROMEO P. MARQUEZ

The author is a member, Investigative Reporters and Editors (IRE) and the Asian-American Journalists Association (AAJA)

S AN DIEGO – Under extreme pressure to reveal his relationships with a top donor, the besieged chair of the National Federation of Filipino American Associations (NaFFAA) has admitted making money from professional deals with Wells Fargo Bank while he sat as a national executive officer in the organization.

The admission came as NaFFAA regional officials appealed for sobriety in the wake of charges and counter-charges between the top leadership and some members of the media who had been demanding a complete

Written by

Friday, 21 August 2009 10:51 - Last Updated Friday, 21 August 2009 10:59

accounting of NaFFAA expenses with regard to a \$300,000 money grant from the bank.

NaFFAA chair Greg B. Macabenta at the same time denied any transaction with the bank outside of two marketing projects he did through his own advertising agency, Minority Media Services Inc.

Nobody in NaFFAA has raised the possibility of a conflict of interest between MMSI, through Macabenta, contracting private jobs with Wells Fargo Bank while he was discharging his role as one of the ranking NaFFAA officers.

The Wells Fargo Bank gave NaFFAA \$100,000 for its annual conference in 2002. Another \$200,000 was given by Wells Fargo Foundation to support NaFFAA's general operating fund. The monies were paid upon the request of NaFFAA co-founder Alex Esclamado to whom the two checks were directly sent, according to Tim Hanlon, president of Wells Fargo Foundation.

"I have never received a single cent from Wells Fargo for or on behalf of NaFFAA," he declared in an email to Dr Joy Bruce, a former NaFFAA official

Written by

Friday, 21 August 2009 10:51 - Last Updated Friday, 21 August 2009 10:59

in Florida, who circulated the email contents to a list of recipients that included the Philippine Village Voice.

On the other hand, Macabenta confessed that he did receive "professional fees for professional work" the amount of which he did not disclose. He even boasted to Dr. Bruce: "Did I make money x x x? You bet I did".

Macabenta, who already had MMSI before becoming NaFFAA chair last year, now also owns Filipinas magazine and Ang Panahon newspaper in Northern California

's

Daly City

.

Some critics voiced suspicion on his acquisition of Filipinas magazine, especially after his advertising solicitor named Lorna Dietz, who also moonlights as "NaFFAA online coordinator", tied its financial situation with the \$300,000 grant from Wells Fargo.

Written by

Friday, 21 August 2009 10:51 - Last Updated Friday, 21 August 2009 10:59

Dietz had said that Filipinas magazine would not have financial problems if allegations are true that Macabenta had indeed received the \$300,000 money grant plus commission. The implication was that Macabenta was already poised to use money donated to NaFFAA for his private enterprise.

Both Macabenta and Dietz did not respond to questions.

Wells Fargo Bank gave NaFFAA \$100,000 for its annual conference in 2002. Another \$200,000 was given by Wells Fargo Foundation to support NaFFAA's general operating fund.

The monies were paid upon the request of NaFFAA co-founder Alex Esclamado to whom the two checks were directly sent, according to Tim Hanlon, president of Wells Fargo Foundation.

He said both the bank and the foundation did not require accounting.

Written by

Friday, 21 August 2009 10:51 - Last Updated Friday, 21 August 2009 10:59

"If either was made for a specific project with quantifiable results, we would want a report on how funds were spent but in this case, neither grant had specific accountabilities so reporting wasn't necessary," Hanlon told the Philippine Village Voice.

Asked about Macabenta, Hanlon said he didn't know him until he was queried about the former's role in the money grant.

"I would not know if NaFFAA paid Mr Macabenta from our funds; nothing in either grant request mentioned any solicitor at all," Hanlon stressed.

The clarification seems to bolster the claim of Dr. Bruce that Macabenta was innocent of the transactions with Wells Fargo.

"Greg Macabenta had nothing to do with getting any of the donated money from Wells Fargo, and neither he nor his company received any commission from such contributions," she vouched.

Written by

Friday, 21 August 2009 10:51 - Last Updated Friday, 21 August 2009 10:59

Last Wednesday (Aug. 12), it was a doubtful Dr. Bruce who asked Macabenta: "I need to know if NaFFAA really got money from Wells Fargo, and if so, when was it given, how much did Wells Fargo give, who got that money for NaFFAA and did anybody get paid commission?"

Dr. Bruce also defended Esclamado's wife, Lourdes M. Esclamado, NaFFAA's assistant national treasurer, who had earlier denied the existence of \$300,000 from Wells Fargo.

"Luly was also not lying when she said that NaFFAA did not receive \$300,000 as one-time donation from Wells Fargo for the 2002 convention, because money was given in 2 different amounts and was not restricted just for San Jose, but was also intended for use in other programs," Dr. Bruce stated.

Wells Fargo's official explanation has made a denial of journalist Bobby Reyes' assertions that the grant money was solicited by Macabenta.

Written by

Friday, 21 August 2009 10:51 - Last Updated Friday, 21 August 2009 10:59

Reyes wrote: "x x x the Wells Fargo Foundation gave the NaFFAA \$300,000 in 2002. The grant was secured by Greg Macabenta, then a NaFFAA national executive officer, whose company, the Minority Media, was paid commissions that were not reflected in the NaFFAA financial statement for 2002."

Texas community leader Gus Mercado, a former NaFFAA regional chair, appealed to the protagonists for sobriety and civility and to put an end to what he called "mudfight".

"This online insanity must stop now," he implored.

Another former NaFFAA regional chair in Florida, Ernie Ramos, suggested a "truce from all sides concerned" and demanded that NaFFAA release financial statements detailing expenditures and revenues of NaFFAA events.

"I contend that the only way to resolve this matter that has put NaFFAA in

Written by

Friday, 21 August 2009 10:51 - Last Updated Friday, 21 August 2009 10:59

such a bad light nationwide x x x is to issue such an official fiscal report x x x to once and for all make manifest and/or reconcile the financial status of NaFFAA. # # #

This "Breaking News" was sent by Romeo P. Marquez, editor, Philippine Village Voice, San Diego, California. Mailing address: P.O. Box 2118, La Jolla CA. 92038.

PHILIPPINE VILLAGE VOICE - Redefining Community News
BREAKING NEWS - Exclusive

Volume 3, Issue No. 17 / News Without Fear or Favor

. . . A community service of San Diego's *Philippine Village Voice* (PhilVoice News@aol.com or at 619.265.0611) for the information and better understanding of the public . . .