



Written by [R. Cort Kirkwood](#) on October 6, 2009

## ACORN Embezzlement Price Tag \$5 Million?

As if the leftist group didn't have enough problems, the embezzlement that nearly crushed ACORN a few years back is much worse than anyone thought. Louisiana's attorney general, Buddy Caldwell, says the figure is \$5 million, not just under \$1 million as previously thought.



If true, it's another major blow to an organization whose top officials likely thought the election of Barack Obama, [its former attorney](#), meant it had reached the acme of American political power. He did, after all, [promise ACORN](#) a "seat at the table" of his administration.

The higher figure turned up in the attorney general's subpoena for documents from an outfit called [Citizens Consulting, Inc.](#), a financial tentacle of the ACORN empire, [the New Orleans Times Picayune reports](#). "Current high-ranking members of ACORN have publicly acknowledged that embezzlement did in fact occur, but the exact amount of the embezzlement was unknown until it was recently acknowledged in a board of directors meeting on Oct. 17, 2008, by Bertha Lewis and Liz Wolf that an internal review had determined that the amount embezzled was \$5 million," [the subpoena says](#). [Bertha Lewis](#) is ACORN's "chief organizer."

The subpoena also quotes the minority staff report of the House Oversight and Government Operations Committee that [asks whether ACORN](#) is "intentionally structured as a criminal enterprise." The report concludes that ACORN is guilty of major felonies.

Five million dollars is about five times the figure authorities put on the embezzlement scheme [that ended the career](#) of Dale Rathke, the brother of ACORN's founder, leftist conman Wade Rathke. Wade Rathke [helped hide the theft](#), conducted with credit cards, and he and another leftist sugar daddy [paid back](#) the money.

Unsurprisingly, Lewis denied the attorney's general's claims. "Completely false," [Lewis said](#) of Caldwell's allegation. That, of course, is what [she said](#) when two undercover journalists revealed ACORN employees advising them on how to set up brothels, smuggle underage prostitutes into the country, and cheat the Internal Revenue Service while doing it.

The embezzlement is a major source of consternation for the [ACORN 8, a group of former directors](#). ACORN [had pink-slipped two of them](#) because they asked too many questions. They have [filed charges](#) with the federal Justice Department against ACORN, alleging fraud, embezzlement, conspiracy, concealment, and civil rights violations. They also [cite the GOP staff report](#) on ACORN as evidence that the leftist organization is a big-time criminal enterprise. The evidence suggests that ACORN may well have run afoul of the Racketeer Influenced and Corrupt Organizations Act, or [RICO](#), which is mostly used [to prosecute the Mafia](#).

As well, ACORN is also [neck deep in voter registration fraud](#). Authorities have collared and convicted



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ACORN officials across the country in schemes to register phony voters, including "[Paul Newman](#)" and "[Mickey Mouse](#)."

Thanks to [the prostitution tapes](#), however, its political support in Washington, D.C. [vanished almost overnight](#).

The question now is whether the embezzlement scandal is even worse than ACORN's severest critics thought it was.



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