

## MIAMI-DADE COMMISSION ON ETHICS & PUBLIC TRUST



### REPORT OF INVESTIGATION

K #: 11-049 Ezekiel Orji

Date Opened: March 25, 2011

Date Closed: Aug. 14, 2012

Name of investigator: Karl Ross

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#### **ALLEGATION:**

Information developed in the course of the General Design Professionals (GDP) investigation raised questions about possible financial ties between Opa-locka Finance Director Ezekiel Orji and the city's former consulting engineer, Emmanuel Nwadike, who has been charged and convicted in connection with a kickback and other schemes involving the manipulation of public works contracts. The GDP findings strongly suggested that Mr. Orji facilitated improper payments to Nwadike, with whom he has a close personal relationship. (See notes from June 4, 2010, sworn statement of Mindy Santos, part of the GDP case file.) Accordingly, it was decided a closer examination of Mr. Orji's personal finances was warranted and the above-captioned investigation was initiated by COE on or about March of 2011. Further predication was established in February 2011 when it was learned Mr. Orji was named in a Suspicious Activity Report (SAR) filed with the U.S. Treasury in 2008 by Publix Supermarkets as having a possible association with a fraud ring using money orders purchased at Publix to launder illicit funds. COE examined payments made to Mr. Orji by one of the fraud suspects.

## **INVESTIGATION:**

Mr. Orji served as finance director/ assistant city manger during all times material to this investigation. As such, he was required to file annual financial disclosure statements (Form 1s) on or before July 1 of each year to report his previous year's income, as well as any outstanding liabilities. For the years under review, Mr. Orji selected the "dollar value threshold" method for sources of income to be identified in Part A of the Form 1 Statement of Financial Interests. This method calls for the disclosure of all sources of income exceeding \$2,500 – including items held jointly by the individual in question and his or her spouse, according to the Form 1 filing instructions. Copies of Mr. Orji's Form 1s were obtained from the Opa-locka City Clerk's Office for the calendar years 2007 through 2010. For all years under review, Mr. Orji did not disclose sources of income other than his employment with the City of Opa-locka. A 2010 request for information made to then Opa-locka City Manager Clarence Patterson further revealed that Mr. Orji had neither sought nor obtained permission for outside employment.

Information obtained from the city further revealed that Mr. Orji uses Wachovia Bank, now Wells Fargo, as his primary financial institution. Account records for Mr. Orji and his wife, Eugenia Orji, were subsequently obtained pursuant to a subpoena issued by the Miami-Dade County State Attorney's Office for accounts ending in No. 1484 and No. 8990. The former is Mr. and Mrs. Orji's joint checking account and the latter is a "High Performance Money Market" account. Based on these records, a spreadsheet was prepared analyzing deposits made into these accounts from sources other than the regular employment of Mr. and Mrs. Orji. COE also reviewed mortgage documents on file with the Miami-Dade County Recorder's Office to determine if Mr. Orji had any undisclosed liabilities, which would be subject to reporting requirements.

The objectives of the inquiry were threefold: 1.) To identify any improper financial dealings between Mr. Orji and Mr. Nwadike, 2.) To determine whether Mr. Orji had incurred in any criminal misconduct as a result of information disclosed in the federal SAR; and 3.) To ensure that Mr. Orji, as the city's ranking financial officer, complied with the Miami-Dade ethics code and state law as it relates to financial disclosures.

**FINDINGS:**

In February 2011, a copy of SAR was obtained with the assistance of U.S. EPA Special Agent Alan Huntsinger. The report identified Mr. Orji as having received funds linked to a suspected bank fraud ring. In particular, Mr. Orji was alleged to have received \$1,300 on or about May 2008 from one of the fraud suspects, Ambrose Obasi. Those funds were traced to Mr. Orji's personal checking account at Wachovia Bank, ending in No. 1484. A review of account records revealed a second deposit of \$1,000 in June 2009 into the same account from CJ Raulings Inc., a firm linked to Mr. Obasi that was also identified in the SAR as a possible front for laundering the alleged illicit funds. The check from CJ Raulings was made out to "CASH" but was deposited in the Orjis joint checking account. COE later spoke to FBI Special Agent Albert Fontana who was named in the SAR as a primary investigator. Special Agent Fontana advised that he had been reassigned to the FBI's San Francisco office, but suggested COE contact John Hodgkinson, treasury manager at Publix Supermarkets and the person who first alerted authorities to possible fraudulent activity.

COE interviewed Mr. Hodgkinson, who advised that Mr. Obasi was considered a primary suspect in an alleged fraud ring involving Nigerian nationals and that arrests had subsequently been made against other suspects, but not Obasi. He recommended speaking to former Washington Mutual bank security officer Don Henbest, who was cited in the SAR as having determined most of the laundered funds were derived from

alleged bank fraud at his institution involving personal checks and home equity loans. He said that he did not recall any specifics involving Obasi or Orji, but did advise that the fraud ring used the laundered funds to export cars to Nigeria. It is worth noting that a prior COE investigation into Mr. Orji surrounded a used car engine he purchased from an Opa-locka junk yard (K07-153) and which Orji said he exported to Nigeria. That investigation was closed without any finding of wrongdoing by Mr. Orji.

On or about March 8, COE and U.S. EPA special agents visited the residential complex where Mr. Obasi lives in Miami Gardens and learned from the administration Obasi works as a meter reader for the city of Opa-locka's Public Works Department. He was subsequently interviewed by COE investigators Karl Ross and Kennedy Rosario on March 16 in the parking lot outside the city's public works office. Mr. Obasi was asked to explain the payments to Mr. Orji and he advised that Orji was his brother in law, and that the payments were made to repay loans Orji had made to him over the years. He said he specifically recalled the \$1,000 payment was to repay Orji for airfare to Nigeria. He said Mr. Orji had no involvement with CJ Raulings, a now defunct firm he operated for about six years that sold wheelchairs. He said that he had been working for the city for the past four years reading water meters, and complained about his salary of \$11 an hour. In the presence of investigators he took a call from what he said was his outside employer. He further advised that he did not have permission for outside employment from his agency head, and was not aware of the attendant requirements. Investigators counseled Mr. Obasi that he needed to comply with the county's ethics rules.

In a review of Wachovia Bank account records for accounts ending in No. 1484 and No. 8990, COE found that the Orjis deposited \$110,000 in cash and checks from sources other than their regular employment. In 2008, the amount deposited was \$25,213, and included a payment of \$5,100 to "Dr. Ezekiel Orji" from Godery Ucheoma of Houston,

Texas, on October 8, and two payments from Uboma Development in June totaling \$1,800. In 2009, the Orjis deposited \$74,734.71 from outside sources, including several items well in excess of the \$2,500 reporting requirement.

These included a \$7,000 cash deposit on February 9; an e-transfer of \$8,154.06 on February 17; a \$4,251 deposit from GEICO for an apparent accident claim on March 25; a deposit of \$7,530.97 from Nationwide Trust Co. FSB, also on March 25; deposits of \$5,000 each from AXA Equitable Life Insurance Co. on June 15 and August 27; an e-transfer from Willie Nwokoye on December 7. In addition, the COE analysis found that on March 20, 2009, a deposit in the amount of \$13,500 was made into the couple's "High Yield Money Market" account ending No. 8990 consisting of a check from the U.S. Treasury relating to a thrift savings account. COE has thus far been unable to determine the identity of the federal Savings and Loan in question. A review of statements for this account shows that a \$10,000 counter withdrawal was made the following month (4/21), followed by smaller withdrawals totaling \$2,500 in subsequent months. No additional deposits were made during the remainder of the calendar year, making it appear that this account served as a possible pass-through for the initial deposit of \$13,500. And for 2010, the COE analysis found another \$10,738 in deposits from outside sources, many of which are for small denomination and which appear to be linked to Mr. Orji's civic or religious activities. There was one deposit in excess of \$2,500 consisting of a check for \$4,230 from Northern Capital Insurance Co. relating to a "return premium."

The financial review also found additional accounts for Mr. Orji, including a Citibank account ending No. 9047 and possible accounts with the former Barnett Bank (ending No. 5273 and No. 7129, checking), now Bank of America, that may or may not have been active during the period of the COE review. Further inquiry is required, as of the

date of this draft report (12/1/2011) to make this determination, as well as to identify the federal S&L account where the payment of \$13,500 was originated.

Lastly, the review of Mr. Orji's finances did yield evidence of one or more active mortgage accounts that could be considered reportable in the liabilities section of the Form 1 financial disclosure. This was evidenced by a payment of \$3,639.77 to BAC Home Loans Services for "136844426" on the Orji's main Wachovia checking account on check No. 4927 issued on or about Oct. 1, 2009. A review of documents on file with the Miami-Dade Records Office found a \$40,000 home mortgage (line of credit) loan in the amount of \$40,000 on the couple's principal residence at 11112 SW 129<sup>th</sup> Place, Miami, FL 33186. The loan was issued June 15, 2006, according to records. On this same date, records show, a standard mortgage was executed on the same property in the amount of \$408,000. Both loans were issued by Countrywide Home Loans. Several days later – on or about June 20, 2006 – a satisfaction of mortgage document was recorded for what appears to have been a previous mortgage loan of \$340,000. The above listed documents suggest the Orjis re-financed an existing mortgage in order to pull equity out of the property and to obtain a home equity line of credit. The payment to BAC found on Oct. 1, 2009, suggests the liability would have been reportable.

Other transactions involving Mr. Orji that raised questions about possible outside employment and/or unreported income center upon an international wire transfer to Mr. Orji totaling nearly \$84,000 on or about Sept. 13, 2011. The transfer, it was later learned, was from Nigerian aviation officials in connection with the training of Nigerian airport workers at Miami International Airport through a 2001 "sister airport" agreement between Miami-Dade County and the National Federal Airport in Lagos, Nigeria. The funds were transferred to Mr. Orji and entrusted to him for the provision of lodging, meals and transportation to airport workers during the latter part of 2011. However, it

was learned that at least \$10,000 was diverted from these funds for the creation of EZ Consulting LLC., a for-profit corporation established in the name of Mr. Orji's college-age daughter, Chidinma, who claims she wanted to start a consultancy business. Both Mr. Orji and his daughter were interviewed in connection with this matter. The notes from the subsequent interviews are excerpted in their entirety below.

Interview of Chidinma Orji, daughter of Ezekiel Orji  
June 13, 2012

Ms. Orji advised that she is the daughter of Dr. Orji and that she is a senior at Florida International University, where she is majoring in international relations and political science. With respect to EZ Universal Consulting LLC, Ms. Orji advised that she created the corporation in order to start a consulting business catering to Nigerians looking for educational and other opportunities in the United States. She said she was not involved in the training of the Nigerian aviation officials that her father was assisting and that provided the source for the \$10,000 in seed money that was used to fund the company in October 2011. (Note: The money came from a joint checking account controlled by her father and that was used, at least in part, in connection with a training program for Nigerian airport workers last fall.) "My dad was helping me start" the consulting business, Ms. Orji stated, adding that the venture was not particularly successful and that it is not active at this time. She said the funds were used for business expenses, but did not elaborate. She advised she also used at least some of the funds for personal expenses, such as buying shoes. "It was my idea," she said of the venture, adding her family has always served as "a liaison for people from Nigeria, and I thought I could make some money off of it."

Interview of Ezekiel Orji, subject of investigation  
June 13, 2012

In the company of his lawyer, Tony Moss, Dr. Orji appeared at the offices of COE for an interview concerning his outside income and possible outside employment. He advised that he was hired by the City of Opa-locka in 2006 and has served continuously since that time as finance director and assistant city manager. He said that prior to that he was a senior finance official for Miami-Dade Aviation and Miami-Dade Transit and handled bond issues and other accounts totaling "billions of dollars." He said he took a pay cut to work for the city of Opa-locka (\$143,000 to \$88,000 initially) after leaving the county. He advised that he was required to file Form 1 financial disclosures while employed by the county, and that he was familiar with the forms and their attendant requirements.

Asked about whether he had any liabilities during the reporting period in question, Dr. Orji advised that he has had a mortgage on his principal residence since purchasing the home in 1995.

(Note: No such liability was reported on Dr. Orji's Form 1s for any of the years under review.) He advised that he did refinance the home for about \$400,000 in 2006 and that he is still repaying that loan to "Seterus," the company that is servicing the mortgage, which he said originated with Bank of America. He said the reason that he did not report the mortgage was that he consulted City Clerk Deborah Irby, and, acting upon her advice, filled out the form with "N/A" in the sections concerning outside income. He suggested that he relied upon her advice for not reporting his mortgage as a liability, but did not say so expressly.

"I filled out the same form year after year," Orji said, referring to his years of county service and the Form 1 requirement. Regarding his tenure in Opa-locka, he stated: "I went to the city clerk to make sure I was in compliance. She asked me if I had outside employment and I said 'No,' so she said that I just had to put down N/A if it didn't apply." He went on to state that "I am surprised, really surprised" upon learning that he was required to report his home mortgage in the liabilities section of the Form 1. With respect to the more than \$100,000 in deposits into his personal checking account for the years 2008 (\$25,000), 2009 (\$75,000) and 2010 (\$10,000), Dr. Orji provided the following explanation:

Dr. Orji advised that he is a past president of the Uboma Development Union, an organization serving Nigerian expatriates from his home region. He said that he was involved in organizing an annual conference in Houston, and as an ex-officio continues to be involved as a board member. He said that payments in 2008 totaling \$1,800 related to the printing of brochures at a Miami-based printer, and he provided a copy of one of the brochures and other documentation. He said that a \$4,000 payment from AXA Equitable Life Insurance that year was drawn from an account that was set up by the city, and said that he needed the funds to supplement his income due to the disparity from his county salary. He said the \$5,100 payment from Godfrey Ucheoma of Houston relates to assistance he provided Mr. Ucheoma, who underwent spinal cord surgery at Baptist Hospital and later stayed at Dr. Orji's home while recovering. He said that he further assisted Mr. Ucheoma with business ventures in Italy and China and that a \$7,000 cash deposit in February 2009 also related to his dealings on behalf of Mr. Ucheoma. He provided copies of email exchanges supporting his account of events and regarding the transfer of funds to China.

Regarding deposits totaling \$8,154 on Feb. 17, 2009, Dr. Orji advised that he liquidated a series of six insurance policies for their cash value and that he did so in order to supplement his city income. As it relates to the deposit of \$13,500 in March 2009, Dr. Orji stated that the funds came from his wife's 401(k) retirement account, but he did not provide any back-up documentation to substantiate this. He stated that as it relates to the \$7,520 deposit, also in March, those funds came from his 457 deferred compensation plan. He said the June and August 2009 deposits of \$5,000 each were from his city life insurance plan. As for a December 2009 deposit of \$7,975 from Willie Nwokoye, Dr. Orji advised that this related to a car he purchased on behalf of a Nigerian woman (Honda Pilot) and he provided an email in support of this. He stated that a May 2010 deposit of \$4,230 was for the settlement of an insurance claim.

With respect to the wire transfer of \$83,965 from Nigeria on Sept. 13, 2011, Dr. Orji advised that this was for the purpose of organizing training for workers at the Federal Airport of Nigeria. He said that Nigerian aviation officials sent him roughly \$1,000 per worker and that he used those funds to make arrangements on their behalf. He said that this was done last-minute because plans



to train the officials in South Africa did not work out and that the training was done instead in Miami at MIA. He said the training was done in conjunction with a Sister Airport relationship established while he worked for the Aviation Department in 2001, and that he has stayed involved in that program since leaving the department in 2004. He said the training was for a series of two-week sessions and that he helped provided lodging, meals, incidentals and transportation while the Nigerian officials were in Miami. He said the Nigerian officials did not request an accounting of how the funds were spent and that they trusted him to spend the funds appropriately. He said he was not offered a salary in connection with this assistance and that he did not request payment at a later date after it became apparent to him that there would be “surplus” funds. Dr. Orji was asked about whether certain payments were made in connection with the visiting officials from Nigeria, including payments of \$2,560 to The Collection and \$3,700 to Land Rover of South Dade. He advised that those payments were for the purchase of parts for an official vehicle used at the airport in Nigeria, and not related to his personal vehicle(s). He said the parts were purchased at the direction of S.B.Umar-Eluma, one of the visiting officials. He said he drives a Mercedes and does not own a Land Rover.

Dr. Orji also maintained that checks written to cash totaling more than \$14,000 were used for incidentals on behalf of members of the delegations. It is worth noting that the two largest of these checks to cash -- \$6,500 on Dec. 7, 2011, and \$5,000 on Dec. 13, 2011 – were made after the delegates had returned to Nigeria. The last of the four visiting groups returned to Nigeria on or about November 25, according to documents provided by Dr. Orji. Orji did advise that a \$10,000 check written to EZ Universal Consulting LLC was made on behalf of his daughter as “seed money,” stating: “My daughter needed to set up a company ... She needed seed money.” He said he had no direct involvement in the business. It should be further noted another \$140 from the Nigerian funds was used to reimburse his daughter for the cost of incorporating the firm. He said that the Nigerian aviation officials were never advised that these funds were transferred to his daughter’s company and that he never sought permission to do so. He said that he was not expected to receive anything in connection with his assistance and that, therefore, he did not feel that he had to request outside employment. He said that all arrangements on behalf of the Nigerian officials were carried out on his own time and not during his regular working hours. Dr. Orji was advised that, at a minimum, he would need to disclose the \$10,000 paid to his daughter as outside income. Said disclosure would not be required until July 1, 2012.

Regarding the payments of \$1,300 and \$1,00 from CJ Raulings in May 2008 and June 2009, Dr. Orji advised that the money came from his brother in law, Ambrose Obasi (now a meter reader for the city of Opa-locka), and that he was not aware that Obasi was a suspect in an FBI fraud investigation. He said that the money was in return for loans to buy an airplane ticket to Nigeria and for late rental payments. He said he did not provide any services to CJ Raulings.

On June 19, COE interviewed Miguel Southwell, a deputy director for the Miami-Dade County Aviation Department, with respect to the Nigerian training program. The notes from said interview are excerpted in their entirety below.

Miguel Southwell, deputy director  
Miami-Dade Aviation Department

June 19, 2012

Mr. Southwell advised that Orji “does have some kind of relationship with the government of Nigeria” dating back to the creation of a sister airport relationship with the Federal Airports Authority of Nigeria (FAAN), which operates that country’s airports – including the main airport in Lagos, Murtala Muhammed Airport. He confirmed that last year Orji helped organize training for four “tranches” of aviation employees from Nigeria at MIA. He said that the training was mandated by the new political administration in Nigeria, which wanted all managers to get “world-class training.” He said the liaison at FAAN is a native South African aviation official, George Uriesi, whom he described as a person of high integrity. He provided contact information for Mr. Uriesi. With respect to the training last year, Southwell stated: “I don’t know about the business arrangement” between FAAN and Mr. Orji. He said that, “If he was being paid, then clearly that was some form of outside employment.”

Mr. Southwell stated that he was from Antigua and that as a native Antiguan he receives numerous inquires and requests for assistance from Antiguan aviation officials and that, when called upon, he gladly assists. He said the same holds true for senior Miami-Dade aviation officials, such as Mr. Orji, who are from other countries. “Most of us consider it an honor and privilege to give back to our countries. I would never take anything for it.” He cited a recent example of being asked to serve on a board for the largest Caribbean airline serving Antigua when a Texas business man was attempting to take it over, and he refused to be paid in connection with his service. He said that he attended board meetings on his own time. (Note: The businessman, as it turned out, was convicted ponzi scheme operator Allen Stanford, sentenced last week to 110 years in prison.) He further observed Nigeria aviation officials look up to Orji because of his PhD in finance and the fact that he is a recognized tribal chief. He said that Orji was considering returning to Nigeria to pursue political aspirations.

## **CONCLUSION:**

Based on the available information, it could not be determined whether Mr. Orji received any improper payments from his fiend and countryman Emmanuel Nwadike. Mr. Orji managed to provide an explanation for much of the \$110,000 in outside income he received during the period in question, from 2009 to 2011. It also appears that the payments he received from Ambrose Obasi, the suspected fraud ring participant, were of a personal nature and unrelated to any improper activity involving Mr. Orji.

That said, some of the findings were troublesome in that Mr. Orji, who possesses a Ph.D. in finance and who has occupied high-level posts with both Miami-Dade County and Opa-locka governments, claimed to be unfamiliar with basic requirements of the

Form 1 financial disclosure form. Mr. Orji, it was shown, did not fully disclose liabilities such as his home mortgage loan from the time he began working for Opa-locka until the time he was advised by this agency that he would need to disclose this in the liabilities section of the Form 1 (Part E). Mr. Orji subsequently submitted revised Form 1s for 2008 through 2011 to the Opa-locka Clerk's Office, as proscribed by this agency.

What is perhaps most troubling, however, was the admission by Mr. Orji that he made unauthorized use of funds entrusted to him by the Nigerian Federal Airports Authority, which were to be used to subsidize training seminars for Nigerian airport officials. The findings show that Mr. Orji converted at least \$10,000 of those funds for his personal use by transferring them to EZ Universal Consulting LLC, a corporation controlled by his daughter, Chidinma. Another \$140 of those funds was used to file to incorporate EZ Universal, and it is suspected that thousands of dollars more may have been misappropriated through checks written to "cash" and negotiated by Mr. Orji.

Due to the failure of FAAN to cooperate with this investigation, as requested, a more thorough accounting of these funds could not be made. Even so, the admitted actions of Mr. Orji call into question his ability to serve as finance director for a city such as Opa-locka, where he is entrusted with managing numerous accounts holding millions of dollars each year in taxpayer dollars. However, this is a matter best left to the discretion of the city's elected leadership and management. It should also be noted that, as directed, Mr. Orji did report income from FAAN in Part A of his Form 1 statement of financial interests. It is unclear, however, why he would report the address for FAAN as "South Africa" as opposed to its offices in Lagos, Nigeria.

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