

OFFICE OF THE INDEPENDENT ADVOCATE  
REPORT OF INVESTIGATION

K #:07-007

Date Opened: January 10, 2007                      Date Closed: April 5 2007

Name of investigator: Kennedy Rosario  
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**Allegation:**

This complaint has as its origin a ten page letter addressed to Joseph Centorino, Chief of the Public Corruption Unit of the Dade County State Attorney’s Office. This report and/or investigation will only address a section (page 7) of said complaint letter that its author, Steven D. Losner, entitled **The Little Angels Foundation, Inc. (TLAF)**

The gist of the author’s allegation is:

“Donations by the City (Homestead) to TLAF are funding salaries or other inappropriate payments to Ms. Waldman, her husband, son or grandson or other relatives to which payment of public monies would not be appropriate in light of her position as a public official....or improper diversion of City money to TLAF.

Further, that “donations” to TLAF by person (s) that have business or items before the Homestead Council would result in a voting conflict of interest violation as to Ms. Waldman.

**Investigation**

Homestead Councilwoman Judy Waldman and her spouse Dr. Merv Waldman founded TLAF as a not for profit organization in the year 2000.

TLAF, Inc. is active and duly registered with the Florida Department of State as a not for profit corporation.

TLAF is also recognized by the U. S. Internal Revenue Service as a 501 (c) (3), Tax-Exempt corporation.

OIA Investigators Breno Penichet and Kennedy Rosario met with Homestead City Clerk Sheila Paul Shedd and requested any / all documentation held by the City as it pertains to any payments made by the City to TLAF. Ms. Shedd, although initially could not find any such payments, later telephoned Investigator Rosario advising that a payment had been discovered. Ms. Shedd's initial City computer probe used Little Angels as search criteria instead of The Little Angels. Ms Shedd subsequently turned over the documents in question; assuring that this was in fact the only City payment to TLAF.

The documents were

1. An invoice (# FY 2005/2006) dated 9/29/06 authorized by the City Manager (Curt Ivy) for payment of \$1,500.00 to TLAF with a "transaction description of – Big Halloween Party ~ 10/27/06 held @ the Champion's Club. The explanation reads: Acknowledgement in all public relations materials, introduction/ Thank you on stage at the event. Listing in program
2. A photo static copy of City of Homestead check number 154607 drawn from the General Fund payable to TLAF in the amount of \$1,500.00.
3. A mailer advertisement by The Listing Exchange's Big Halloween Party in benefit of TLAF To be held October 27, 2006 at the Homestead-Miami Speedway's Champion's Club. Contact information is shown as an Orlando Lopez, Financial South Corp. as well as Tony Hazard, Hazard Insurance.
4. Page two of the mailer delineates facts as to the event and lists twelve Executive Committee members one of whom is Ms. Waldman.
5. Page three of the mailer is the Sponsor Package Program form listing four types of sponsorships ranging in amounts from \$500.00 to \$2,500.00. Note: the \$1,500.00 Homestead sponsorship is for a Gold Sponsor.

Ms. Shedd directed the investigators to City Manager Curt Ivy for any further details as to the payment.

Ms. Shedd did however answer that the \$1,500.00 expenditure of Homestead funds did fall within the discretionary limits of the City Manager's authority.

OIA Investigator Rosario subsequently engaged City Manager Curt Ivy in a telephone conversation in regards to the payment. Mr. Ivy said that his office had received the flyers via U.S. mail. He is aware of TLAF as a local / non profit charity that does good work in the community. He is also aware of Ms. Waldman's participation in TLAF. He however neither spoke with nor was pressured by Ms. Waldman to contribute to the event in question. Mr. Ivy acted on his own in this sponsorship, utilizing his discretionary payment authority.

Ms Waldman was interviewed by OIA Investigators Penichet and Rosario, and after a brief reason for the OIA inquiry, stated the following:

TLAF was founded by herself and spouse mainly due to her own experience as a grandmother of an Autistic child.

TLAF is an all volunteer entity, inclusive the Board of Directors.

During the "first couple of years" of TLAF's existence, she and Mr. Waldman "paid for everything"

TLAF funding derives from private donations and fund raising events such as the Big Halloween Party at the Champion's Club that was paid for by TLAF. Other events included an Angel Tree Reception at the local Capri Restaurant where the food was paid for by TLAF.

Ms. Waldman does not recall if any City of Homestead vendors, including the Capri Restaurant, hosting their events, are a City vendor.

As to the \$1,500.00 City of Homestead sponsorship, Ms. Waldman states that she did not solicit this or any other contribution from the City. The sponsorships materialized as a consequence of mailers / flyers sent out by Mr. Lopez and Mr. Hazard as hosts of the event.

Ms. Waldman supplied the investigators with TLAF Articles of Incorporation as a not for profit Florida corporation, a list of the Board of Directors, IRS exempt organization ruling, TLAF organization resume, and several documents listing charitable acts by TLAF.

Investigator Rosario brought to Ms. Waldman's attention that in researching TLAF it was determined that TLAF had not currently filed their "audit" of income and expenditures with the State of Florida. Ms. Waldman immediately called TLAF volunteer accountant and Board Member Chuck Gugliuzza (305-724-4829).

In a conference call Mr. Gugliuzza agreed that TLAF must file the appropriate documents with the State and would do so upon his return from vacation the following Week.

Investigator Rosario contacted Mr. Gugliuzza as a follow up to the conference call: Mr. Gugliuzza reiterated that the State filing will be completed by Friday April 6, 2007 and a copy of same will be made available to the COE.

When asked, Mr. Gugliuzza answered neither Ms. Waldman, nor any one else, had received any sought of remuneration from TLAF stating that the not for profit entity's articles of incorporation prohibit any such payments other than reimbursement of out of pocket purchases.

**CONCLUSION:**

This investigation has not discovered any acts or activity by City of Homestead Councilwoman Judy Waldman that would lend any credence to the above noted portion of Losner's letter as a possible violation of the Miami-Dade County Conflict of Interest and Code of Ethics. To the contrary, The Little Angels Foundation, Inc. appears to be an entity that has performed charitable / worthwhile work in the local community. There is no documentary evidence to suggest a nexus between persons or entities who contribute to TLAF and Ms. Waldman's official / public duties.