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Miami-Dade County Commission on Ethics and Public Trust

Memo

To: File

From: Karl Ross, ethics investigator

Date: Aug. 23, 2011

Re: K11-092 Victor Igwe

Based on the recommendation of the Independent Ethics Advocate, the inquiry into the dismissal of Miami Auditor General Victor Igwe has been suspended at this time. It was the Advocate's view that the facts and circumstances prompting the dismissal of Mr. Igwe on June 27, 2011, would most likely be brought to light as a result of a civil action by Mr. Igwe, and that this would be the appropriate venue. He noted that attempts by COE to interview Miami city officials would likely be thwarted by claims that the matter could not be discussed due to pending legal action.

Accordingly, the case has been closed, but could be re-opened pending further information about alleged violations of the county's ethic code.

Case Number: K11-092 VICTOR IGWE

Victor Igwe, former auditor general
City of Miami, FL
Phone: (305) 281-9452
June 29, 2011

Regarding his termination after 12 years as the city's auditor general, Mr. Igwe stated: "It came out of nowhere." He said he had attempted to take up the matter with City Attorney Julio Bru, hoping to get a 60-day extension, but advised that Bru did not return his calls. He said he had previously asked then-City Manager Tony Crapp to put such an item on the agenda, but that Crapp advised him it was too late, and that either City Commission Chairman Willie Gort or Mayor Tomas Regalado would have to do it. He said he contacted Gort's office and that the chairman initially indicated he would help, but later told him that only the mayor could put something on the agenda. He said that he was then advised that City Attorney Bru would put something on the agenda as a pocket item, but that this never happened.

Igwe could not say whether he thought his dismissal was a result of any particular audit his office was carrying out, though he noted that he has been unpopular among elected leaders during most of his tenure at the city. Most recently, he said that he has angered city leaders by cooperating with the U.S. Securities and Exchange Commission in its review of the city's financial reporting practices. He noted that Bru was also unhappy with him because of findings that she was overpaid some \$12,000. He said the matter of his contract last came up at the April 26 commission meeting, but said he felt he had been sandbagged and that several commissioners "took swipes at me" – among them Mark Sarnoff, Francis Suarez and Frank Carollo. He said that it was agreed at that meeting that Carollo would conduct a performance review of his latest tenure and present his findings to the commission before his contract was submitted for a vote. He said this never happened, and that he believes elected officials didn't want to have a public discussion about his performance and that Carollo "buried" the matter so it could be handled behind closed doors.

On or about June 30, 2011,, COE reviewed minutes for the April 28, 2011, Miami City Commission meeting and found the relevant portions on pages 126 to 128. The minutes were consistent with Mr. Igwe's account of the meeting provided during his June 29 interview in that it had been agreed by city commissioners that Vice Chairman Carollo should conduct a performance review of Igwe's tenure.

Frank Carollo, vice chairman
Miami City Commission
July 6, 2011

On or about July 6, 2011, Vice Chairman Carollo replied to an e-mail requesting an interview at COE to discuss the following matters – any tickets to sporting events he may have received, his trip to Spain and the circumstances surrounding the departure of Victor Igwe. That meeting was subsequently postponed, but when the interview finally took place on July 22, his attorney, Ben Kuehne, stated that he was going to advise his client against making any statement relating to the termination of Mr. Igwe. Mr. Kuehne said he wanted an opportunity to conduct his own inquiry into the facts surrounding Igwe's departure.

Name & Signature:	Karl Ross, Investigator	Date: Item #:
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Comm. Frank Carollo
City of Miami, FL
July 6, 2011

Comm. Carollo initially agreed to meet with COE to discuss the circumstances surrounding the departure of Victor Igwe, but his attorney, Ben Kuehne, later informed this agency that he was advising his client not to discuss the matter owing to the possibility of litigation by the former auditor general. He said that he would allow the commissioner to discuss other matters of interest, but not his knowledge of Igwe's dismissal as auditor general this past June 27. Kuehne said he wanted to discuss the matter first with City Attorney Bru before counseling his client regarding the pending interview request by COE.

Mayor Tomas Regalado
City of Miami, FL
July 18, 2011

Mayor Regalado expressed concern about the manner in which Mr. Igwe was terminated, saying, "I think it was a conspiracy." He noted Igwe holds a charter office and reports to the commission as a whole, not the mayor. Regalado said that when he was a commissioner, he had a close relationship with Igwe and that Igwe had an adversarial relationship with the previous administration. He recalled that back on or about 2005, then City Manager Joe Arriola was upset with Igwe and that former Commissioner Angel Gonzalez made a motion to have Igwe fired. He said that he intervened on behalf of Igwe and got a majority of commissioners to support keeping him. He noted Igwe has "saved [the city] a lot of money." He said that he felt the way the termination took place was wrong, saying that, in his opinion, Igwe was "fired," though the city attorney and others characterized it as legal matter of his contract expiring. He said that he does not know why Comm. Carollo did not conduct a performance evaluation of Igwe's tenure as was discussed during the April 29 city commission meeting. He said he does know that Comm. Chairman Marc Sarnoff "didn't like him" and was unhappy with the way he ran his office, as was City Attorney Bru, who blamed Igwe for the ongoing U.S. Securities and Exchange Commission probe into the city's financial reporting practices. He said that Bru had stated that "because of him (Igwe) we're spending \$1.5 million on outside counsel and settlement costs." He said that Bru was the one who directed the Employee Relations director to inform Igwe that he was being summarily discharged. "He said that he was consulted by Bru, but that he could do nothing to prevent her from taking this action. "To me it's still a mystery," Regalado said of the dismissal. "Victor was difficult, but I think he did a great job." He said that Igwe's only shortcoming may have been his reluctance to brief city commissioners about his findings.

Mayor Regalado subsequently provided COE with a copy of the letter addressed to Mr. Igwe and dated June 27, 2011, from the city's human resources director, Beverly Pruitt. The letter was added to the file.

Victor Igwe, former auditor general
City of Miami, FL
July 25, 2011

In a follow up conversation, Mr. Igwe advised that he felt that his dismissal had been a retaliatory act by City Attorney Bru and possibly other city officials. "It was definitely retaliation by her," Igwe said, noting that he had clashed with her several times in recent months. He said he believes that she and other elected

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Case #:

Item #:

officials did "conspire" to have his contract terminated without taking the matter up in a public meeting, as was discussed during the April 29th meeting in which Comm. Carollo agreed to conduct a review of Mr. Igwe's performance and share his findings with the mayor and commissioners. He said he believes that Bru was upset with him and met with commissioners in order to deny him due process and a fair hearing as to his job performance. He said he suspects that she may have acted as a conduit and therefore allowed commissioners to circumvent the open meetings portion of the Sunshine Law by meeting with them individually and sharing the other's views about how to proceed on Igwe's contract. He said that Bru was upset with him because of 1.) his cooperation with federal investigators at the SEC in their inquiry into the city's financial reporting practices, 2.) his criticism of a legal opinion she issued that, in his view, allowed the city to misappropriate state fuel surtax monies, 3.) his complaint to commissioners that she was the only one of the four "charter employees to receive a cost-of-living-increase in the past budget (not his office, the city manager or the city clerk), and 4.) his office's findings that she overbilled the city by \$11,900 due to what could perhaps be considered "mathematical errors." He said that he was aware that she was going around telling commissioners that they should terminate him, and that he believes that the mayor and other elected officials – with the possible exception of Comm. Richard Dunn – were willing participants in any conspiracy. He said he also found it telling that Comm. Mark Sarnoff would call for a freeze on the release of any audit findings during his 60-day contract extension, asking why Sarnoff would impose that as a condition unless he was concerned about the release of potentially embarrassing findings. He said that Sarnoff might be worried about issues concerning the city's CRA.

Igwe also said he received a warning from former City Manager Tony Crapp that something unusual was going on regarding his contract. He said he believes that the mayor could have put an item on the agenda either extending his contract for another 60 days or calling for a public discussion of his tenure.

Aug. 22, 2011

The ethics advocate directed that the investigation into Mr. Igwe's termination be suspended at this time, as the matter was likely to be settled as the result of a civil action by Mr. Igwe.