

MIAMI-DADE COUNTY COMMISSION ON ETHICS & PUBLIC TRUST**REPORT OF INVESTIGATION**

#K12-068

Date Opened: 04/11/12

Date Closed: 09/26/12

Investigator: Sylvia Batista

On or about April 9, 2012 the COE received information regarding an “Arts in Education” fundraiser conducted by Laissez-Faire Dance Company (“Laissez-Faire”) in collaboration with the City of North Miami (“NM”). Laissez-Faire is owned and operated by Bernadette Pierre who is the wife of Mayor Andre Pierre. The fundraiser was held on December 10, 2011 and consisted of a dance recital produced and performed by Laissez-Faire. Proceeds from the event were to benefit Miami Choral Academy (“MCA”) in NM. It was anticipated that the fundraiser would collect over \$15,000 and after covering the costs incurred for the event, MCA would receive a donation of approximately \$13,000. MCA ultimately received a donation of \$8,878.01 from NM.

Investigation:

The COE was provided a copy of an enlarged photograph of a NM check payable to MCA in the sum of \$13,000. The photo was displayed on an easel and placed at the entrance of the 2/28/12 council meeting, where an item on the consent agenda proposed ratifying an amendment to FY 2011-2012 budgets to include the receipt and

appropriation of funds from “unanticipated donations” received in the amount of \$14,525. The item was later removed from the agenda with no action taken by council. Councilmember Galvin inquired as to why the item was being removed and was told by the City Manager that they would take care of it administratively.

5/17/12 - Joey Quigley, Managing Director Seraphic Fire & Firebird Chamber Orchestra-

Joey Quigley (Quigley) advised that NM had sent a donation of approximately \$8,000. He had expected that the donation be for a larger sum because at one point Shawn Crouch, the program director of MCAA was told that there had been between \$12,000 and \$14,000 raised for MCA. Quigley explained that the donation was delivered along with a letter from NM stating that additional funds had been pledged and would be mailed directly by the donor. Quigley said that he had not heard anything further with regards to additional pledges. Quigley said that he would send the COE a copy of the check and letter from NM submitting the donation.

A review of the check and cover letter from Mayor Pierre reflect that NM delivered a check made payable to Seraphic Fire, Inc. in the sum of \$8,878.01. The cover letter, signed by Mayor Pierre, states that the donation was on behalf of NM and Laissez-Faire, and that the funds were raised at the “Arts in Education” fundraiser held on 12/10/11, in support of the MCA at North Miami Elementary.

5/17/12 – Shawn Crouch, Director Miami Choral Academy –

Shawn Crouch (Crouch) explained that MCA had been trying to raise money to expand their program to other schools in NM. Crouch explained that the event was the biggest fundraising event of the year and all MCA children participated. Crouch

explained that around the time of the council meeting (2/28/12), he was told by the City that \$14,000 had been raised. Crouch said that Quigley submitted a form requesting the money. Crouch said that they did not hear back for a few weeks and then received a check in the mail for \$8,878. Crouch said that they called NM and said that they had expected the donation to be more. The assistant at the Mayor's office said that they would figure it out, and after 2 to 3 weeks they received a letter which said that the additional money they had counted on was promised by an outside source and they would be in contact directly. Crouch said he later received a letter from NM giving an explanation as to why the donation turned out to be less.

5/31/12 – Public records produced by NM –

The COE received financial records in connection with the “Arts in Education” fundraiser. The records reflect the donations and expenses incurred were as follows:

Donations Listed Under Arts and Education:

Judge Karen Mills-Francis (donation for keys to city ceremony) ¹	\$1,000.00
Michael Skop (“Arts in Education” donation)	\$5,000.00
Gordon Murray (“Arts in Education” donation)	\$500.00
The Family Corners, Inc. (“Arts in Education” donation)	\$200.00
Alix Desulme-WAVS Radio 1170 AM (“Arts in Education” donation)	\$2,500.00
ES Consultant & Thomas McSweeney (“Arts in Education” donation)	\$1,000.00
Youngquist Brothers & Thomas McSweeney (“Arts in Education” don)	<u>\$1,000.00</u>
TOTAL.	\$11,200.00

¹ Memorandum re. donation states that it is for expenses incurred for the key to the city ceremony for Judge Karen Mills-Francis held on 09/20/11. After making inquiries, Vernon Paul, the City's new finance director, said that the donation was credited to the Arts in Education fundraiser by mistake.

Expenditures:

Miami-Dade County Public Schools (facilities lease)	\$967.00
Miami-Dade County Public Schools (processing fees for facilities)	\$25.00
Mr. Copy printing for 1000 – 5x7 cards (tickets)	\$275.00
EBS Printing (500 – 16 pg. books including cover w/saddle stitch)	\$700.00
Publix	<u>\$354.99</u>
TOTAL	\$2,321.99

Total Donated \$8,878.01

6/26/12 – Miguel Seco, Governmental Affairs Manager for City of North Miami -

Miguel Seco (Seco) advised that he attended the “Arts in Education” fundraiser produced by Laissez-Faire for the benefit of MCA. Seco was asked about his knowledge of ticket sales at the entrance of the event which he confirmed was held on December 10, 2011. Seco explained that he arrived early and went to the reception held prior to the show. Seco said that after the reception, they walked inside the auditorium to see the show. Seco said that he does not remember seeing ticket sales or seeing anything being sold at the event. Seco said that NM organized the fundraiser to be performed by the Laissez-Faire for the benefit of MCA.

7/20/12 – Frank McBride, Principal of Natural Bridge Elementary and Member of the City’s Quality Education Board –

Frank McBride (McBride) advised that he attended the “Arts in Education.” McBride attended the event with his wife and recalls buying their tickets at the door on the day of the event. McBride said that his wife remembers that they paid \$20 for each

ticket in cash. McBride did not get a receipt. He explained that MCA is in his school. MCA's program is very costly and they wanted to extend their program to North Miami Elementary and were in need of funds.

7/24/12 – Natasha Colebrook Williams, Constituent Services Coordinator –

Natasha Colebrook Williams (Williams) was asked about cash ticket sales on the night of the event and distribution of tickets prior to the event. Williams said that distribution of tickets prior to the event and sales of event tickets at the door was handled by Laissez-Faire and not by NM. Williams advised that Laissez-Faire handled the distribution of all tickets and that the donors were not given tickets when they made their donations to NM.

9/04/12 – Bernadette Pierre, Laissez-Faire Dance Company –

Bernadette Pierre (Pierre) appeared at the COE in response to a subpoena requesting her statement.

Pierre explained that Laissez-Faire is a dance company which she founded. Laissez-Faire does not have a specific location where they conduct rehearsals. Pierre said that they hold rehearsals wherever they can find an open space—sometimes rehearsals are held at the location where the show is going to be held, or even at her house.

Pierre advised that the fundraiser was held on 12/10/11 at North Miami Senior High. Laissez-Faire produced the event in collaboration with NM. Pierre said that the purpose of the “Arts in Education” event was to donate money to MCA so that they can implement their program into additional schools. Pierre advised that MCA has a program at Natural Bridge Middle School which is located

within NM. Pierre said that MCA singers performed with Laissez-Faire on the night of the fundraiser.

Pierre said that Laissez-Faire did not incur any expenses in connection with the fundraiser held at North Miami Senior High—all expenses were paid for by NM from the money donated by sponsors. She said that she had 12 dancers at the fundraiser and Laissez-Faire may have spent about \$200 in incidentals which are lost. Pierre said that the event was free on the night of the performance and all doors to the auditorium were open for everyone to come inside. This was decided the last time that they met on the subject because they were afraid that no one would come.

Pierre said that the people who came to the event consisted of some of the sponsors, MCA people, and approximately 50 others. Pierre recalls that there was a table at the front door with programs and other written information, but no ticket sales took place at the event.

09/26/12 – Stephanie Thomas, Constituent Services Coordinator – Mayor and Council Office –

Stephanie Thomas (Thomas) was asked about cash ticket sales on the night of the event and distribution of tickets prior to the event.

Thomas said that 150 to 200 people attended the performance. She explained that she did not see anyone buying tickets on the night of the event. Thomas said that she does not know whether tickets were distributed among the donors prior to the event.

Analysis and Conclusion:

This investigation was initiated after concerns were expressed that the dance company owned by the Mayor's wife may have profited in some way through its joint partnership with NM in a fundraising project to benefit MCA. The investigation was not able to conclude that the dance company, Laissez-Faire, profited from the arrangement. However, NM should be cognizant of section 2-310 of the City of North Miami Code of Ethics as well as section 2-11.1 (c)(1) of the Miami-Dade County Conflict of Interest and Code of Ethics; both ordinances deal with transacting business with one's own City.

This investigation revealed that the so-called "joint partnership" between NM and Laissez-Faire was never presented or publicly discussed at any Council meeting. There was no transparency revealing the tie between Laissez-Faire (the Mayor's wife's dance company) and the Mayor. Even if there was no profit made by Laissez-Faire because of this project there was, never the less, a financial entanglement created between NM and Laissez-Faire. Obviously, such an arrangement can be perceived as an appearance of impropriety which could have easily been avoided with open, public acknowledgement and debate. While the creation of a public/private partnership between NM and a not-for-profit agency is not prohibited, the creation of such a partnership with a not-for-profit wholly controlled by the wife of an elected official may very well be. At the very least, the matter should have been presented at a public meeting and any conflict could have been waived by the Council given the circumstances of this particular case.