

MIAMI-DADE COMMISSION ON ETHICS & PUBLIC TRUST



REPORT OF INVESTIGATION

Case # K12-076/C12-026

Date Opened: April 26, 2012

Date Closed: June 7, 2012

Name of investigators: Breno Penichet and Kennedy Rosario

Miami resident Al Crespo (Complainant) filed complaint C12-026 against City of Miami Mayor Tomas Regalado (Respondent) on April 18, 2012. Crespo alleged, that on March, 21 2012, Respondent traveled to Lima, Peru on a trip that was paid for by the Latin Builders Association (LBA). Crespo alleged that Regalado accepted the trip and did not report it as a gift. Crespo advised that he made a public records' request to the State of Florida for a copy of the disclosure (Form 9) covering that period of time and no disclosure was found.

Investigation:

COE Investigators reviewed the exhibits attached to the original. From the information provided, it appeared that Regalado traveled to Lima, Peru as part of a delegation representing the City of Miami, along with members of the LBA and the Greater Miami Chamber of Commerce (GMCC).

COE Investigators became aware that the trip could have been sponsored by the Miami Mayor's International Council (MMIC), a non profit authorized to solicit contributions from private donors in order to fund projects that could enhance the quality of life and bring business to the City.

COE Investigators contacted City of Miami Assistant City Attorney Maria Chiaro (Chiaro) regarding this complaint. Chiaro advised, that according to City Code, the non-profit MMIC was established to solicit contributions for City projects. Originally the Council was funded totally by the City, but because of the current financial situation the non-profit was created. Chiaro directed us to Isabel De Quesada (De Quesada), Executive Director for the MMIC.

COE Investigators contacted De Quesada regarding the complaint, De Quesada advised that she is employed by the City of Miami to oversee the MMIC and that her position comes under the City Manager's Office. She stated that her job is to promote the City and to develop educational and cultural opportunities. De Quesada also advised that she is the International Affairs Administrator for the MMIC, the non-profit arm of the council created to solicit contributions from private individuals and corporations in order to bring businesses to the City along with cultural events and the sister cities program.

De Quesada advised that the meetings of the MIC are open to the public and are noticed via the City Clerks Office. The board meetings of the MMIC are not open to the public, but minutes are maintained. De Quesada advised that the trip to Lima, Peru was not discussed by the directors of the non-profit MMIC or the MIC, due to the fact that it was sponsored and paid for by the LBA and the GMCC. De Quesada referred us to Mirtha Aguirre (Aguirre), MGA Accountants & Consultants. According to De Quesada, Aguirre has control of the bank accounts for MMIC.

COE Investigators contacted Bernie Navarro (Navarro), President of the LBA. After being advised of the nature of the complaint and the need to know if the LBA had paid for Mayor Regalado to travel to Lima, Peru, Navarro referred us to the LBA's General Council Alexis Gonzalez, P.A.

COE Investigators contacted GMCC and spoke to the finance department who advised the GMCC did not pay for the Peru trip; they simply made all the travel and accommodation arrangements.

COE Investigators contacted Aguirre, regarding the accounts for MMIC. Aguirre advised that she was the book keeper for the non-profit and was a member of the board of directors. Aguirre advised she was asked to obtain the exemption for the 501(c)(3), but the checkbook was managed by De Quesada. Aguirre advised there was very little money in the account and the non-profit MMIC did not pay for the Mayor's trip to Lima, Peru. Aguirre provided a copy of the ledgers showing the activity from October 2011 to March 2012. She advised of an upcoming board meeting for MMIC and requested we attend so this matter could be discussed.

COE Investigators contacted Crespo in order to obtain additional information. Crespo advised that was aware that the Mayor has taken trips in the past and has not reported them as gifts - one trip in particular may have been to Spain. Crespo advised that he noticed the write up in the paper about the Mayor being in Lima, Peru and decided to pursue it. Crespo provided other information that at this point is being evaluated.

COE Investigators, along with the Advocate, attended a meeting of the Board of Directors (BOD) for the MMIC. Present at the meeting were Aguirre, De Quesada, Julian Linares (Linares) and the Mayor. During the meeting, the fundraising and reporting was discussed. The Mayor advised that he was invited to go on the trip by the LBA and the GMCC, as part of a delegation of business and political leaders. The Mayor advised he never received any money; all he received was his plane boarding pass and hotel accommodation that included breakfast. He advised that he has no problem reporting the trip as a gift and will do so prior to the due date at the end of next quarter. The Mayor advised he contacted the COE Executive Director J. Centorino to ask what needed to be done.

The Advocate explained all the ramifications regarding non-disclosure and requested I monitor this case to make sure the trip is reported.

On June 07, 2012, a Quarterly Gift Disclosure form was received signed and notarized reporting the trip to Lima, Peru by Mayor Regalado.

Applicable Legislation:

The Mayor... "shall disclose as provided herein any gift, or series of gifts from any one person or entity, having a value in excess of one hundred dollars (\$100.00)."

Conclusion:

Given that Mayor Regalado complied with the Gift Reporting Requirement, the instant case is closed without further action. (Note: C12-026 was dismissed by the COE in May after a finding of No Probable Cause, as the time period during which the disclosure was due had not yet elapsed.)