



**DEKALB COUNTY
SPECIAL INVESTIGATORS**

August 5, 2015

VIA HAND DELIVERY

Honorable Lee N. May
Interim Chief Executive Officer
DeKalb County
1300 Commerce Drive
Decatur, GA 30030

Re: Investigative Update

Dear Mr. May:

This correspondence is to give you and the Commission members a brief update of our investigative findings thus far. What we have found is stunning. We are not identifying those who may be guilty of crimes or other misconduct until we publish the final report. You will recall that you were told from the onset that this inquiry would take both a lot of time and a lot of money. But the amount of money this has, and will, cost is minimal compared to what widespread government corruption has cost DeKalb County and our state, in terms of standing, reputation and image. You told us that restoring the good image and the public's trust in county government was a principal goal of our assignment.

We are products of the DeKalb County School System. It pains us to have the duty to report to you and the Commission the extent of the misconduct we have found. We have been around government employees and elected officials for over 40 years. We have investigated and prosecuted public officials and others, often at the highest levels of the government in our state.

The DeKalb County government we have found is rotten to the core. The misconduct starts at the top and has infected nearly every department we have looked at. We have conducted scores of interviews and looked at several hundred thousand documents, including over 40-thousand individual P-card transactions. Those expenses range from petty to the absurd.

While most folks have been helpful, some department heads have flatly ignored requests from you and your office to provide full documentation with regard to P-card records, including the transaction logs that are required to be kept at each work site. They have also ignored Open Records Act requests we have filed and today are in violation of state law. We must have all of these records to continue our investigation into how the Finance Department has processed and paid for various purchases. By refusing to provide the needed records they are delaying the completion of this inquiry.

We started this investigation with the assumption that government employees and elected officials work hard every day to look after and tend to the business of the county. Within the first week we found some who did just the opposite.

The extent of P-Card abuse and misuse is astounding. Before we give you a few examples of what we have found on the use of P-cards, let us first tell you why many of these taxpayer-funded purchases are illegal. Article 3, Section 6, Paragraph 6, of our state constitution says, in what is known as the "gratuities clause," that the government shall not have the power to grant any donation or gratuity. Absent explicit legal authority, no government in Georgia can legally give things away. This prohibition includes gifts made to charities or non-profit organizations.

The main question that must be answered with regard to any spending by county officers is: "what is the benefit to the county?" If there is no articulable, specific and reasonable benefit to the county, then the expenditure is likely illegal and in violation of our state constitution. The citizens of this county, the same taxpayers who are funding this investigation, have unwittingly paid for goods and services purchased with no legal authority.

Improper expenditures include the purchase of a cruise to the Bahamas for an employee, flower arrangements, a "live" guitar player, a Christmas tree and the dry cleaning bill for a judge's robe. Taxpayer funds were routinely used to buy liquor, catered meals, candy, popcorn and pretzels filled with peanut butter for elected officials, department heads and staff members. The county's own internal auditors have reported this improper spending over the years. Yet the abuse has continued. Once our final report is published, you and the county commission should take steps to recover all funds illegally spent from those elected or appointed officials and employees.

But the waste and fraud is not exclusive to P-Cards. For instance, several departments over the past five years have regularly overspent their budgets and no action has been taken to correct this illegal conduct.

The county awarded sole-source contracts despite there being many other qualified vendors available to perform the same work, at a much lower cost to the county.

A high-level official wrecked a county-owned vehicle, causing substantial damage, and then failed to follow proper procedures for reporting the accident.

Taxpayers paid the impound fee to recover another county-owned vehicle after the employee was arrested for DUI. That man resigned rather than face disciplinary action. Remarkably, the employee was rehired within days of entering a guilty plea in court, with no apparent disciplinary action taken. Taxpayers have also paid for traffic fines and toll road penalties.



The take-home vehicle policy is routinely violated, with some folks getting a free ride to and from work each day. And we have no idea just how many employees get a county-owned car and gas for commuting.

Thefts of county property have been covered-up and mishandled. In one case the police were not notified and the thief still draws a paycheck from the county.

And just in the last few days, we have found what appears to be a bribery scheme involving a major county department.

While we have reduced the number of county departments we are investigating at your request, we still have a good way to go before completion. Please let us know if you have any questions.

Sincerely,


Richard L. Hyde
Michael J. Bowers

cc: Commission Members