



# Memorandum

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To: The Honorable Chairperson, Dr. Solomon C. Stinson  
and Members, Miami-Dade School Board

From: *CM* Christopher Mazzella, Inspector General

Date: July 1, 2010

Re: Three Indicted in Connection with Southside Elementary School Modular  
Classroom Addition Construction Project Ref. IG09-10SB

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Attached is a press release relating to the indictment of Louis Daniel (Daniel), his wife Marta Duque (Duque), and his son Ariel Daniel (A. Daniel). These individuals, subcontractors at Southside Elementary School (Southside), were arrested last month for violations of federal laws. The arrests resulted from an investigation by the Miami-Dade County Public Schools Office of the Inspector General (OIG), the U. S. Immigration and Custom Enforcement Agency (ICE), and the United States Attorney's Office for the Southern District of Florida. Today, a federal Grand Jury indicted Daniel, Duque, and A. Daniel on charges of conspiracy to induce aliens to remain in the United States for commercial advantage and private financial gain, in violation of Title 8, United States Code, Section 1324(a)(1)(A)(v)(I) and (B)(i).

## Attachment

cc: Mr. Alberto M. Carvalho, Superintendent of Schools, M-DCPS  
Mr. Walter J. Harvey, School Board Attorney  
Mr. Jose Montes de Oca, Chief Auditor, M-DCPS



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**THREE SUB-CONTRACTORS CHARGED WITH EMPLOYING ILLEGAL  
ALIENS IN MIAMI-DADE SCHOOL CONSTRUCTION PROJECT**

July 07, 2010

**FOR IMMEDIATE RELEASE**

Wifredo A. Ferrer, United States Attorney for the Southern District of Florida, Anthony V. Mangione, Special Agent in Charge, U.S. Immigration and Customs Enforcement (ICE), Homeland Security Investigations, Miami Field Office, and Chris Mazzella, Inspector General, Miami-Dade County Public Schools, Office of Inspector General (MD-OIG), announced that a federal grand jury in Miami has returned an Indictment charging three Miami residents with conspiring to induce undocumented aliens to enter and remain in the United States by providing them with employment at a Miami-Dade school construction project.

The Indictment charges **Luis Daniel**, 59, the president of Hialeah-based Daniel Builders, Inc., his wife **Marta Duque**, 57, and Luis' son, **Ariel Daniel**, 26, with conspiracy to induce aliens to remain in the United States for commercial advantage and private financial gain, in violation of Title 8, United States Code, Section 1324(a)(1)(A)(v)(I) and (B)(i). If convicted, they each face a maximum statutory penalty of 10 years in prison. All three had been previously arrested and released on bond on June 9, 2010.

In February 2009, ICE special agents initiated an investigation after learning that undocumented aliens, as well as lawful residents and citizens of the United States, were paid substandard wages at a construction project of an addition to Southside Elementary School, located at 45 S.W. 13<sup>th</sup> Street in Miami. Daniel Builders, Inc., was the sub-contractor awarded a \$2.714 million contract at Southside Elementary School in September, 2008. The construction workers hired for the project did not receive overtime wages. In addition, social security and income taxes were not deducted from their paychecks.

The Indictment charges that between October 2008, and March 13, 2009, the three defendants used their corporation, Daniel Builders, to hire and underpay illegal aliens to increase their profit margin. Thereafter, the defendants created an elaborate scheme to conceal the fact that the work force at Daniel Builders was comprised primarily of undocumented aliens. This scheme included using nominee corporations that acted as labor providers and payroll administrators, in order to insulate Daniel Builders from the responsibility and tax consequences of hiring illegal workers. Among the nominee companies were Miami Metro Services, Inc., and Miami Dade Builders, Inc. This allowed Daniel Builders to enhance its profit margin primarily by paying substandard wages, not paying overtime wages, and not withholding social security or employment taxes.

In March 2009, ICE special agents administratively arrested the 20 individuals who had been observed working at the Southside Elementary construction site. Among those arrested were 14 Mexican nationals, one El Salvadoran national, and five Guatemalan nationals. To date, all but one have been removed from the United States. One worker was arrested on criminal charges for illegally re-entering the United States after deportation as an aggravated felon and has been sentenced to 46 months in prison.

"The exploitation of construction labor for profit by unscrupulous employers can never be condoned," U.S. Attorney Ferrer stated. "That is as important when business is booming as when it is not."

ICE Special Agent in Charge in Miami Anthony V. Mangione said, "today's Indictment should serve as notice to those individuals and businesses that traffic and exploit undocumented immigrants. We will continue working with our law enforcement partners to root out this criminal activity. The message is clear: All employers must play by the rules."

Miami-Dade County Public Schools Inspector General Chris Mazzella said, "My office will continue to ensure that public monies for School District projects are not misused for private gain through illegal activities."

The investigation was conducted by ICE's Homeland Security Investigations in Miami and the Miami-Dade County Public Schools Office of Inspector General. The case is being prosecuted by Special Assistant U.S. Attorney Lorraine Tashman and Assistant U.S. Attorney Benjamin Daniel.

An Indictment is only an accusation and a defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

A copy of this press release may be found on the website of the United States Attorney's Office for the Southern District of Florida at [www.usdoj.gov/usao/fls](http://www.usdoj.gov/usao/fls). Related court documents and information may be found on the website of the District Court for the Southern District of Florida at [www.flsd.uscourts.gov](http://www.flsd.uscourts.gov) or on <http://pacer.flsd.uscourts.gov>.