



Memorandum

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To: The Honorable Carlos Alvarez, Mayor
The Honorable Chairperson Dennis C. Moss
and Members, Board of County Commissioners

From: Christopher Mazzella, Inspector General

Date: June 24, 2009

Re: MMAP Grant Recipient Sentenced on Scheme to Defraud Grant Funds, IG08-46

Robert Word (Word), the managing member of BCJ Development LLC, a Metro-Miami Action Plan (MMAP) grant recipient, was sentenced yesterday for defrauding MMAP of grant funds. An investigation by the Office of the Inspector General (OIG) and the State Attorney's Office uncovered that Word used over \$132,000 of \$175,000 in MMAP grant funds for personal purposes. Word pled guilty yesterday to Organized Scheme to Defraud, a first degree felony, and was sentenced to six (6) months in the County Jail, followed by twenty-nine and a half (29 ½) years of probation.

In August 2005, Word's company, BCJ Development LLC, was issued a \$175,000 grant from MMAP to develop several businesses in the Overtown area. The OIG investigation uncovered that Word misrepresented to public officials that he was a Subway franchise owner, and that the Subway national franchise had an agreement with BJC Development LLC to build a Subway franchise in Overtown. In reality, Word had no majority ownership interest in any Subway restaurant and was not a licensed franchisee. The OIG investigation revealed that Word made unauthorized cash withdrawals of the money and used the grant proceeds to purchase property in Colorado and to pay off his private debts and obligations. Meanwhile, he submitted falsified financial reports and failed to supply required documentation to the county agency. Notably, he failed to provide Miami-Dade County the much needed economic growth and revitalization promised to the Overtown area.

In addition to his jail sentence, Word is required to pay restitution to MMAP, costs of investigation to the OIG, and he will be debarred from contracting with the County, which necessarily includes entering into contracts for grant funds, for a period of five (5) years. Especially in today's climate of distributing government-sponsored stimulus funds, the OIG is committed to monitoring the use of public funds to prevent future losses such as those caused by this defendant.

cc: Mr. George Burgess, County Manager
Mr. Denis Morales, Chief of Staff, Office of the Mayor
Ms. Cynthia Curry, Senior Advisor to the County Manager
Mr. John T. Jones, Jr., Chairperson, MMAP Trust
Mr. John Dixon, Jr., Interim Executive Director, MMAP Trust
Ms. Cathy Jackson, Director, Audit & Management Services
Mr. Charles Anderson, Commission Auditor
Clerk of the Board (copy filed)