



Memorandum

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To: The Honorable Carlos Alvarez, Mayor
The Honorable Chairperson Bruno A. Barreiro
Members, Board of County Commissioners

From: Christopher Mazzella
Inspector General

Date: May 24, 2007

Re: Arrest of MDAD Contractor on Theft and Forgery Charges

Attached is a news release relating to the arrest of Lance Balfour (Balfour) who, through Law Construction, Inc., was contracted to perform a bathroom renovation project for the Miami-Dade Aviation Department (MDAD). The OIG's investigation uncovered that Mr. Balfour forged several papers, thereby allowing him to obtain credit to purchase tile and allowing him to receive payment from MDAD for the project. Balfour, who could not obtain credit, defrauded D & B Tiles by presenting a forged check agreement which stated that MDAD would sign a two party check for the purchase of tiles.

Balfour also presented MDAD with a forged release of lien from D & B Tiles. The fraudulent release of lien caused MDAD to pay Balfour for the tile project. Balfour, in part, accomplished the fraud by using his notary seal to falsely notarize the release of lien.

The OIG appreciates the full cooperation given by MDAD throughout the course of the investigation.

cc: Mr. George Burgess, County Manager
Mr. Jose Abreu, Director, Miami-Dade Aviation Department
Ms. Cathy Jackson, Director, Audit & Management Services

Clerk of the Board (Copy Filed)



Contractor with Miami-Dade Aviation Department Arrested for Theft and Forgery

Lance Balfour (Balfour), 60, of Law Construction, a contractor with the Miami-Dade Aviation Department (MDAD), was arrested today following an investigation by the Office of the Inspector General (OIG) into fraudulent transactions related to a construction project at Miami International Airport (MIA). Balfour was charged with one count of Grand Theft, two counts of Forgery, two counts of Uttering a Forged Instrument, and one count of Unlawful Use of a Notary Commission, all third degree felonies.

Balfour, who was unable to obtain credit to purchase tiles for the MIA construction project, forged a joint check agreement and submitted it to D & B Tiles for the purchase of \$11,243.75 worth of tiles. D & B Tile was willing to extend credit for the purchase of the tiles on the condition that payment would be made by a two-party check signed by Balfour and the MDAD. A representative of D & B Tile grew suspicious of Balfour when a check for partial payment, \$2,500, was drawn on the Law Construction account as opposed to the expected two-party check issued by MDAD. The OIG was notified by MDAD following D & B's inquiry.

OIG investigators discovered that Balfour not only forged the joint check agreement that was presented to obtain credit from D & B Tile, but also forged a release of lien purportedly issued by D & B Tile and presented to MDAD. The fraudulent release of lien caused MDAD to pay Law Construction the entire amount budgeted for the tile project. The investigation also uncovered that Balfour fraudulently used his notary seal to notarize the release of lien.

In commenting on the arrests, Inspector General Christopher Mazzella indicated that his Office will pursue recovering monetary losses suffered by the County and redressing any harm caused as a result of these alleged transgressions.

Copies of the arrest affidavit are available at the Office of the Inspector General, 19 West Flagler Street, Suite 220, Miami, Florida, telephone number (305) 375-1946, or at the State Attorney's Office, c/o Ed Griffith, 1350 N.W. 12 Avenue, Miami, Florida, telephone number (305) 547-0535.