



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: April 1, 2008

Re: Arrest of County Employee for Misappropriating Funds of the
Hispanic Transit Society

Attached is a press release relating to the arrest of an employee of the Miami-Dade Transit Department (MDT), Juan R. Rivas (Rivas). Rivas was arrested in connection with the Office of the Inspector General's (OIG's) and State Attorney's Office joint investigation into the misappropriation of funds deducted from participating County employees' payroll for the Hispanic Transit Society, Inc. In 1992, employees of MDT organized an association, the Hispanic Transit Society, Inc. (HTS), for County Transit employees of Hispanic heritage and others. The County automatically deducts dues from participating employees and transmits them to the operating account of the HTS. Rivas, a 17-year County employee currently employed as a Quality Assurance Specialist with MDT, was president of the HTS from October 2000 through June 2006.

The OIG investigation uncovered that during his tenure as President, Rivas – using electronic transfers, debit card and ATM transactions – diverted approximately \$102,780 of HTS funds for his own personal use. Rivas, an avid golfer, made many purchases of golf equipment and paid for rounds of golf. Additionally, he paid personal and family expenses such as automobile insurance, SunPass accounts, family cruises, residential alarm services, and purchased automotive parts from the HTS funds. Rivas was not authorized by the HTS Board or members to use the County employees' dues for his personal benefit.

Rivas was charged with one count Organized Scheme to Defraud and one count of Grand Theft, both first degree felonies. The case was brought to the attention of the OIG by the former Director of MDT, Mr. Roosevelt Bradley.

cc: Mr. George Burgess, County Manager
Ms. Ysela Llort, Assistant County Manager
Mr. Harpal S. Kapoor, Director, Transit Department
Ms. Cathy Jackson, Director, Audit & Management Services
Mr. Charles Anderson, Commission Auditor

Clerk of the Board (copy filed)



County Employee Arrested for Misappropriating Funds

An investigation by the Office of the Inspector General (OIG) and the Miami-Dade State Attorney's Office has resulted in the arrest of Juan R. Rivas (Rivas), age 51, of Miami. Rivas, a Quality Assurance Specialist for the Miami-Dade Transit Department (MDT), is a 17-year County employee and former President of the Hispanic Transit Society of Dade County, Inc. (HTS). The HTS is a social and community service association of employees of the MDT of Hispanic heritage and others. Rivas was President of the HTS from October 2000 through June 2006. Through extensive review of records and interviews of officers and board members of the HTS, the OIG investigation uncovered that Rivas misappropriated approximately \$102,780 in HTS monies. Rivas was charged with one count of Organized Fraud, a first degree felony, and one count of Grand Theft, a first degree felony, for misappropriation of the HTS funds.

The joint investigation by the OIG and the State Attorney's Office was based on information provided by former MDT Director Roosevelt Bradley. HTS membership dues are deducted from the payroll of participating County employees and transmitted into the HTS operating account. The OIG investigation revealed that Rivas, as President, controlled the HTS operating account at Washington Mutual Bank and possessed the account's sole Visa debit card. Rivas, without the knowledge or authority of the HTS executive board – through electronic transfers, ATM transactions, debit card point of sale purchases, and electronic payments – used HTS funds to pay for personal and family expenses. Rivas was able to pay for personal automobile insurance for himself and his family, pay for cruises to the Caribbean, pay tuition at Florida International University for his daughter, replenish the accounts of his children's SunPass accounts, purchase jewelry, purchase golf equipment, and pay green's fees and cart fees for himself.

Inspector General Christopher R. Mazzella, in commenting on the arrest, said that "it is deplorable to find a veteran County employee entrusted to safeguard his colleagues' dues end up stealing them. The OIG will continue to expose such abhorrent misconduct."

Media Opportunity – Inspector General Mazzella will be available for a media opportunity today between 12:00 p.m. and 3:00 p.m. at the OIG office. 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.