



Memorandum



Miami-Dade County Office of the Inspector General
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To: Hon. Carlos A. Gimenez, Mayor, Miami-Dade County
Hon. Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Christopher Mazzella, Inspector General

Date: March 25, 2013

Subject: *Jury Convicts CEO of the Veteran's Employment Transition Services, Inc. for Stealing Grant Funds Earmarked for Military Veterans and the Unemployed,*
Ref. IG10-19

Charles Leon Cutler (Cutler), who was arrested in March 2010, was convicted over the weekend for stealing grant funds from Miami-Dade County and the City of Miami's Community Redevelopment Agency. The jury's verdict, which was rendered early Saturday morning, determined that the chief executive officer of the Veteran's Employment Transition Services, Inc. (VETS), a not-for-profit entity, misappropriated grant money for his personal use. He was convicted on two counts of Grand Theft, both third degree felonies. Attached is a press release issued by the State Attorney's Office (SAO).

The joint investigation, conducted by the Office of the Inspector General (OIG) and the SAO, revealed that Cutler diverted grant funds awarded to VETS by the Miami-Dade Public Housing and Community Development Department, f/k/a/ the Office of Community and Economic Development. Cutler took over \$6,000 in County grant funds (intended to benefit military veterans and the unemployed) to replace grant funds that he earlier stole from a City of Miami Community Redevelopment Agency (CRA) grant. The City's CRA grant was awarded to VETS to establish a hospitality institute to train low-income Overtown residents to work in the hotel industry. Cutler wrote unauthorized checks to himself, friends, and family from the CRA funds. When CRA officials detected the theft, Cutler diverted the County grant funds in order to repay the CRA. Cutler also withdrew thousands of dollars in County grant funds from ATM machines for his own personal use.

Cutler currently awaits sentencing; he faces up to 5 years prison time for each of the two counts. Cutler is also pending trial on an additional charge of theft of another County grant. That case concerns a grant awarded by the Miami-Dade County Department of Community Action and Human Services to VETS to fund a veteran's summit. Cutler is charged with diverting approximately \$9,000 from this particular grant.

The OIG wishes to thank County staff and the Miami CRA for their cooperation during the investigation and prosecution of this case.

cc: Hon. Thomas Regaldo, Mayor, City of Miami
Hon. Chairwoman Michelle Spence-Jones
And Board Members, Miami Community Redevelopment Agency
Clarence E. Woods, III, Executive Director, Southeast Overtown/Park West CRA
Russell Benford, Deputy Mayor, Miami-Dade County
Greg Fortner, Miami-Dade Public Housing and Community Development Department
Lucia Davis-Raiford, Miami-Dade Community Action and Human Services Department
Cathy Jackson, Audit and Management Services Department
Charles Anderson, Commission Auditor, Miami-Dade County



KATHERINE FERNANDEZ RUNDLE STATE ATTORNEY

ELEVENTH JUDICIAL CIRCUIT
IN AND FOR MIAMI-DADE COUNTY



For Immediate Release

FORMER PROGRAM HEAD CONVICTED IN THEFT

Miami – March 25, 2013

Charles Leon Cutler, former Chief Executive Officer of Veteran's Employment Transition Services, Inc., was convicted early Saturday morning by a Miami-Dade County jury of stealing grant money from both the City of Miami and Miami-Dade County. A joint investigation by the Office of the Inspector General and Miami-Dade County State Attorney's Office revealed that Cutler had diverted funds for his own personal use originally intended to benefit military veterans and the unemployed.

Mr. Cutler was originally arrested in March of 2010 after an 18 month investigation led to the filing of two felony counts of Grand Theft. The City of Miami Community Redevelopment Agency (CRA) funds were stolen after a grant restructuring required the return of any unused funds be returned to the CRA. Rather than transferring the funds, Cutler wrote \$4,000 in checks to himself and over \$2,000 in checks to friends and family, which he disguised as legitimate expenses. When CRA officials detected the theft and demanded reimbursement, Cutler immediately, diverted over \$6,000 from a Miami-Dade County Office of Community and Economic Development grant by falsely certifying employee salaries and diverting part of the proceeds to repay the CRA. Additionally, Cutler withdrew almost \$4,000 in OCED funds from ATM machines for his own personal use. Cutler, 60, was taken into custody following the verdict and faces up to 5 years prison time for each of the two counts.

Cutler is still awaiting trial for allegedly stealing another \$13,000 in Miami-Dade County grant money intended to fund a 2008 veteran's summit.

"The people of Miami-Dade County determined that Mr. Cutler violated the trust placed in him when he put money intended for veterans and the poor into his own pocket," commented State Attorney Katherine Fernandez Rundle. "Citizens of this community will not tolerate such actions. I applaud the jury for their work and I applaud the staff of the Miami-Dade Office of the Inspector General for their successful investigative activities on this case."

In commenting on the investigation, Inspector General Christopher Mazzella noted that Cutler's brazen actions enriched himself at the expense of veterans and unemployed citizens in our community. "Whenever funds are stolen from programs intended to train those in need of jobs in our community, it is not just the unemployed, but our community at large that suffers."

FOR FURTHER
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