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Testimony weakens Seminole fraud case

Three are on trial
in theft of millions
from tribe.

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The case against three men accused of stealing millions from the Seminole Indians began unraveling Tuesday when two government witnesses testified that the tribe routinely approved shaky business practices similar to those now on trial.

Seminole General Counsel Jim Shore and former accounting supervisor Bonnie Garris detailed a lax, at times nonexistent system of monitoring the \$300 million annual casino windfall and the way it is used. Shore testified there are few restrictions on how tribal leaders spend millions they're allotted each year, and conceded that former Seminole Chairman James Billie has a history of working secret financial deals without telling the tribe.

Tribal chief's testifying is uncertain

SEMINOLES

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"Sometimes Billie would have already taken the next step before we knew [what he was working on]," Shore said. "Sometimes these things would be done before we knew the legal aspects."

Whether Billie did that this time is the key to the trial of former Seminole Operations Manager Tim Cox, tribe senior adviser Dan Wisher, and Michael Crumpton, who are charged with bilking \$2.7 million from the tribe.

Prosecutors said the trio acted on their own and set up secret accounts to steal the money, while defense lawyers argue their clients worked for Billie and got snared in his latest deal.

Neither side is saying whether Billie, who has long been a target of federal prosecutors, will testify.

On Tuesday, Shore testified that Billie saw the Internet as a potential source of at least \$700 million over three years and a way to cement his position as the undisputed savior of the

2,500-member nation. But Shore said he and other tribal elders worried that the gaming was illegal and could jeopardize existing casino operations spread throughout the state.

Much of the evidence isn't in dispute. Cox transferred \$2.7 million from a tribal investment account into personal and business accounts controlled by him, Wisher and Crumpton, Wisher's son-in-law. The money was transferred to banks in Hollywood, Belize and Nicaragua, where the tribe has extensive business interests.

Prosecutors contend the men simply stole the money and created phony companies, including one called Virtual Data, to hide their actions. Their extreme efforts to cover their tracks prove their guilt, Assistant U.S. Attorneys Rose Rodriguez and Ed Stamm said.

Lawyers for the men concede they created fake invoices to fend off the tribe's auditors. But they insist Billie approved everything.

Much of Tuesday's testimony focused on the tribe's business practices and undercut several of the prosecution's

prime arguments.

For instance, prosecutors said tribe members didn't know about Virtual Data. But defense attorneys produced Seminole bank statements showing Virtual Data transferred \$25,000 directly to the Seminoles in July of 2000.

And Garris, who worked for the tribe for 24 years until quitting in 2000 after a dispute with Cox, acknowledged that she had set up a special system to pay for Wisher's credit card and other expenses he racked up in Belize. She also testified that she thought he was setting up an Internet casino there.

That contradicted prosecutor's contentions that the tribe didn't know anything about the deal.

But the biggest blow to prosecutors came when attorneys Ken Lipman and Bruce Zimet produced documents showing that as much as \$850,000 of Seminole money was transferred to a private account controlled by Garris in 1996. She testified the money was used to pay for extensive Seminole festivities in Atlanta during the Summer Olympics.

No one contends Garris did

anything wrong and she has not been charged and was never under investigation. But defense lawyers used the transactions to show it's not unusual for the tribe to put money in private accounts of senior employees and use them to run operations. The same thing happened in Belize with Cox and Wisher at the direction of Billie, the lawyers said.

Whether Billie will testify remains unclear, although he clearly could tip the case in either direction. Federal investigators offered deals to Cox and Wisher if they testified against him. If Billie testified the men acted on his orders, the government's case would likely die but the testimony could put Billie in legal jeopardy. If he testified they went out on their own and stole the money, the men could be convicted.

But then they would be facing lengthy prison sentences and probably be more inclined to testify against him.

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