

FAU Corvette case may be heading to police

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BOCA RATON — Florida Atlantic University officials probing allegations that the school's nonprofit foundation bought former President Anthony Catanese a Corvette with foundation money, are about to turn the case over to police for a criminal investigation, *The Palm Beach Post* has learned.

The university may announce as early as today that it is handing the

matter off to the Florida Department of Law Enforcement to determine whether there was criminal wrongdoing, university sources said.

Both sides hardened their positions Monday, with the chairman of the FAU Foundation board sending a three-page letter accusing the chairman of the university trustees of "irresponsible" and "highly unnecessary and possibly reckless" actions. The chairman of the trustees called it a "nasty" letter.

In other developments:

■ Carla Coleman, executive director of the foundation and senior vice president in FAU's advancement office was placed on administrative leave.

■ At least three parties to the controversy hired lawyers — two of them experienced in criminal law.

■ Most employees of the university's advancement office remained locked out of their offices.

See FAU, 12A ►



JOINT VIEW: Anthony Catanese, Carla Coleman say foundation money didn't buy his car. Coleman is now on administrative leave.

Chairman's actions draw rebuke

► FAU from LA

■ Computer files in two more advancement offices — at FAU's research and development park and at the Tom Oxley Athletic Center — were seized and those offices closed to employees.

■ FAU Board of Trustees Chairman George Zoley planned to meet with advancement office workers this morning to bring them up to speed on the probe.

Car bought weeks after Catanese left

The latest developments stem from a probe into allegations that the FAU Foundation used its money to buy former FAU President Anthony Catanese a red 2002 Corvette as a going-away gift in July. Internal Revenue Service regulations don't allow nonprofit contributions to be used for the benefit of an individual.

Coleman and Catanese have told *The Post* that foundation money was not used to purchase Catanese's Corvette. Catanese did not return a phone message on Monday. He bought the car three weeks after leaving FAU to become president of Florida Institute of Technology in Melbourne.

Zoley ordered an in-house investigation into the allegations, and the school's inspector general had locks changed Thursday evening and Friday morning on the doors of advancement offices and rooms where records are stored. The university advancement office, like the FAU Foundation, raises money for university-related causes.

Most employees of FAU's advancement office were unable to work on Fri-

day or Monday as a result of being locked out. They are still being paid. They have been instructed to call an FAU hot line — normally utilized during hurricane watches — each night to see whether they can return to work the next day.

That does not include Coleman, the highest-ranking employee in both the foundation and the advancement office. She received a letter instructing her not to return to campus until further notice. She too is being paid while on administrative leave.

Zoley's actions drew a sharp rebuke Monday from Howard Guggenheim, chairman of the FAU Foundation's board of directors.

"These irresponsible actions have caused and will continue to cause irreparable damage to the foundation, its board of directors and its staff, and have created a dark cloud of suspicion over the integrity of the foundation," Guggenheim wrote in a certified letter sent to Zoley.

"The actions taken by you seem highly unnecessary, and possibly reckless, and appear to be based predominantly on rumor and innuendo," Guggenheim wrote.

Guggenheim complained that Zoley has not responded to his request to meet since Zoley was appointed board of trustees chairman more than a month ago, and asked that Zoley return all foundation documents by 9 a.m. today.

"What a nasty letter," Zoley said. "I believe the interim president (Richard Osburn) is going to be responding to the letter." It's doubtful he will comply with

Guggenheim's deadline, he added.

Lawyers to review actions taken

On behalf of the foundation, Guggenheim has hired Boca Raton attorney Garry W. O'Donnell. "I thought it was in the best interests of the foundation to hire somebody who understands the law," Guggenheim said.

O'Donnell said he will try to resolve whether FAU Inspector General Morley Barnett had authority to lock out advancement office employees, and get a better understanding of why that was done and when workers can return to their jobs.

Zoley has retained J. David Bogenschutz, a former prosecutor and for many years a prominent criminal defense lawyer in Fort Lauderdale, to represent the board of trustees in the Corvette probe.

"I've been asked to come in and consult on one particular issue," Bogenschutz confirmed.

And Coleman has retained Kenneth Lipman, a former federal prosecutor who has a criminal and civil law practice in Boca Raton. He said "at this moment" he's acting in a civil capacity.

"We simply do not know what's going on," Lipman said. "Carla loves the university, loves the foundation."

But did she allow foundation money to be used to buy Catanese a luxury sports car?

"We're making no comment on any aspect of the investigation," Lipman said.

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