



# INSTITUTE FOR LOCAL GOVERNMENT<sup>SM</sup>

*Promoting Good Government at the Local Level*

Case Study:

## Badge of Honor

Sergeant James Corcoran loves being a cop. A 20+ year veteran of his city's force, he knows his small, working-class city and the people who live there.

A fan of Robert Greenleaf's concepts of servant leadership,<sup>1</sup> Corcoran notes that the word "Sergeant" derives from the Anglo-French term "*sergant*," which means "to serve."<sup>2</sup>



## Signs of Trouble

It perplexed Sergeant Corcoran then, when one member of the city's law enforcement team appeared to be doing very little work. In late 2008 just as the Great Recession was deepening, Corcoran needled him for his lack of productivity. The colleague shrugged off the criticism. The colleague's view was that the city manager "owed him" for his role in securing a successful bond measure election.



And in fact, a member of the community had warned Corcoran that ballots were being cast in city elections in the names of people who were dead, in jail or out of the country.<sup>3</sup> The bond election gave the city authority to sell millions of dollars in bonds to improve the property around City Hall.

Corcoran was also troubled that the police department had also been under pressure from the city manager to help raise city revenues by impounding vehicles of unlicensed drivers.<sup>4</sup> The practice, which netted the city \$300 to \$400 a vehicle, involved finding reasons to pull

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over vehicles (missing license plates, broken lights or tinted windows).<sup>5</sup> If the driver didn't have a license, the car would be towed.

To retrieve the vehicle, the owner would have to pay a city fee, plus towing and storage charges.<sup>6</sup> If they couldn't, the vehicle was subjected to the "lien sale" process--the registered owner effectively lost his car. Many community members who experienced the city's impound practices were people of modest means, including immigrants who would be unlikely to be able to show a drivers license. Either prospect: paying the impound fees or losing the household's transportation caused these families incredible hardship.

In fact, Corcoran didn't much like the way the city manager ran the city. To Corcoran's way of thinking, the manager generally hired mediocre people as line staff. Corcoran believed that the manager wanted to avoid anyone who would question the manager's practices. Corcoran's perception was that loyalty was valued above all else. Part of that loyalty involved not questioning city practices.

The manager, although he had his circle of cronies, didn't get out into the community. Corcoran remembers the manager saying he liked to operate "under the radar screen."

#### Discussion Questions

- What are Sergeant Corcoran's options for addressing his concerns at this point?
- What are the potential consequences of each option?
- What would *you* do if you were in Sergeant Corcoran's situation?

## A Deep Breath

With a knot in his stomach and a pounding heart, Corcoran decided to take his concerns to external law enforcement authorities.<sup>7</sup> Corcoran remembers "I was scared s—less." As a police officer, he was used to dealing with confidential sources. Now he *was* the source. And he was potentially putting his job—which meant so much to him-- on the line.

Corcoran had already been talking to the FBI about the impounding issue.<sup>8</sup> In January of 2009, he called the FBI desk agent about the voter fraud issues. In spite of his nervousness, nothing happened.

#### About California's Whistleblower Protection Laws

California Labor Code section 1102.5 protects employees who disclose information about their employers to government or law enforcement agencies from being retaliated against.

For more about California's whistleblower protections, see "For Whom the Whistle Blows," available at [www.ca-ilg.org/whistle](http://www.ca-ilg.org/whistle).

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Corcoran and two other police officers then went to the local district attorney.<sup>9</sup> The interviewing investigator remarked that they had a “helluva story.” The investigator said that the case would be stronger if they could get an elected official to come forward to corroborate their claims. Corcoran got a council member to write a corroborating letter.<sup>10</sup> Still nothing happened.

During this time, the police department was in a sustained state of transition. In late 2008, the city manager dismissed the then-current chief, replacing him with an interim chief. The interim lasted only six months before being dismissed. For several months the department was run by two captains.

In the summer of 2009, the city hired a new police chief. Corcoran hoped the new chief would bring a fresh perspective and be reformer.<sup>11</sup> The new chief scheduled a meeting with each member of the department upon arrival; Sergeant Corcoran used the meeting to share his concerns about the department’s activities.

The Chief’s reaction, however, was completely disheartening and worrisome. The Chief directed Corcoran to back off.<sup>12</sup> What Sergeant Corcoran hadn’t realized at the time was the new chief had already been working with and for the city manager through the Chief’s private consulting firm.

In fact, the manager and the chief had plans to expand the city’s operations to offer services to other local agencies. If successful, the plan would provide new professional advancement and financial opportunities to members of the police department—or at least those that were perceived as loyal members of the team. People were jockeying for position.

Sergeant Corcoran decided not to play that game. He became, in his own words, increasingly confrontational. He had been attending a program for Sergeants called the Supervisory Leadership Institute.<sup>13</sup> A strong theme of this training was ethics and values; Sergeant Corcoran hoped the training would lead to career opportunities to be a facilitator and trainer. The course’s themes strengthened his resolve to resist a go-along-to-get-along approach to the situation. He recalls a quote from the course “The opposite of courage is conformity.”

That courage, however, came with a cost. Two months later, in January of 2010, the Chief placed Sergeant Corcoran on administrative leave for being critical of the city’s management in front of junior officers.<sup>14</sup> During the meeting, the Chief took Corcoran’s badge.

To many in law enforcement, a police badge is deeply symbolic. The shape is inspired by the shield carried by ancients and is worn over the heart. The badge identifies the officer’s law enforcement agency, yet it also has the individual’s identification number; as such it balances authority with personal responsibility.

Humiliated, Corcoran left through the back door of the police station. He delayed telling his family the first few days he was on administrative leave, instead going to the library each day so they wouldn’t know he wasn’t working.

### **Discussion Questions**

- Think about the concept of insubordination. Was Sergeant Corcoran in fact “insubordinate” by being critical of activities in his city? Was it insubordinate to contact external law enforcement authorities?
- What are the competing values at stake in the situation Sergeant Corcoran found himself? To whom does a public employee owe his or her loyalty? What are a public employee’s responsibilities if he or she believes unlawful practices are occurring?
- Think about the significance of Sergeant Corcoran’s conversation with the new Police Chief. Under what circumstances should a whistleblower first try to pursue internal remedies for one’s concerns?

## **Under the Bus**

As the department conducted the internal affairs investigation, former friends and colleagues turned against Sergeant Corcoran. To his surprise and disappointment, they provided statements to help support the administration’s position that Corcoran should lose his job for being insubordinate.

The police union attorney advised Corcoran to simply resign and take his retirement. Fearful of being fired soon, Corcoran opted to put in for early retirement.<sup>15</sup>

That period—when Corcoran was off work and going through pre-trial preparations--was really hard. Corcoran missed his work as a police officer; moreover, the demands of preparing for trial made it difficult to pursue other professional opportunities. In fact, Corcoran missed his job so much that, before the scandal broke, Sergeant Corcoran swallowed his pride and went to Rizzo to ask for his job back in return for dropping his suit. Rizzo refused.

Anxious to have his concerns vindicated, Corcoran contacted the District Attorney’s office again.<sup>16</sup> In late March of 2010, an investigator finally looked into his allegations by interviewing the council member.

In May 2010, Corcoran decided to file suit under California’s whistle-blower protection laws.<sup>17</sup>

## **The Scandal Hits the Headlines**

A month later, the *Los Angeles Times* reported that the district attorney’s office was investigating the generous compensation council members were receiving for their part-time service to the city.<sup>18</sup> Several weeks after that, the media ran another story describing eye-

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popping salaries being paid to the city manager and the other administrative officers.<sup>19</sup> The media frenzy and public outcry in the City of Bell became national news.

The outrage resulted in a recall of elected officials in Bell and the firing of top administrative staff, including Rizzo and his assistant. Civil and criminal actions were filed against both manager and assistant city manager, as well as the elected officials. At the press conference announcing the filing of criminal charges, the district attorney accused local officials and staff of looting the city's treasury.



#### **The Nature of the Criminal and Civil Charges Brought Against Employees and Elected Officials in Bell**

Six Bell elected officials were charged with misappropriation of public funds for collecting compensation for serving on city-related bodies while doing very little work. Of the 96 charges under consideration in the first trial, the jury returned verdicts on 54 and remained deadlocked on 42.

Five of the six defendants were found guilty of several counts of misappropriating public funds through their roles overseeing the city's Solid Waste and Recycling Authority between the years of 2006 and 2010. None of the city-council members were found guilty of similar counts for their work on the Public Financing Authority. Jurors remained undecided on several counts regarding two other city entities. The district attorney announced that he would re-file charges on those counts.

The sixth council member, who joined the council in 2008, was acquitted on all counts. His attorney argued that the sixth council member had not voted to create any of the authorities or the compensation that they paid.

Robert Rizzo, Bell's former city manager, pleaded no contest to all 69 counts of corruption against him. Sentencing for Rizzo is scheduled for spring of 2014. The trial judge has indicated that she will sentence Rizzo to a minimum of 10 years and a maximum of 12 years in state prison. The prediction is that he will be made to pay back the City of Bell \$3.2 million.

The assistant city manager, Angela Spaccia, went to trial. She had been charged with one count of conspiracy to misappropriate public funds, six counts of misappropriation of public funds, four counts of conflict of interest and two counts of secretion of official record. A jury of eight women and four men found Spaccia guilty on 11 counts, but not guilty of one: secretion of official record. The jury was unable to reach a verdict on one count of misappropriation of public funds, and a mistrial was declared in that charge.

The city brought in an experienced interim city manager, whose task was to put the city on a better course and deal with the severe damage that had been done to the city.

### **Discussion Questions**

- The City of Bell is a small community of about 35,000 residents. Why was the Bell scandal national news?
- One of the statements made during the district attorney's press conference announcing the filing of charges against Bell officials was that "It's not illegal to be paid ridiculous sums of money" in public service." What role do criminal and civil laws play in preventing actions that betray the public's trust and confidence in public service? Should what the law allows (what's legal) be the only reference point for deciding whether to engage in a particular activity?
- Do you think the elected officials should have known that their compensation was disproportionate to the work they were doing? Should the failure to act on such knowledge be a crime?

## **Settlement Discussions with New Administration**

As part of mediated settlement discussions just before trial, the settlement judge recommended the city pay \$1.6 million to Corcoran. The judge believed that if the case were to go to trial, the verdict could be more than \$3 million.<sup>20</sup>

What Corcoran really wanted, though, was to get his job back under the new Bell administration and not be out of pocket for his attorneys fees.<sup>21</sup>

The interim manager was concerned that returning Sergeant Corcoran to the police department could be problematic. Many of the individuals who had provided statements in support of the internal affairs investigation were still with the department and, in fact, had received promotions.

As a result, the city offered Corcoran *more* money if he would stay retired.

### **Discussion Questions**

- What kinds of challenges do you think Sergeant Corcoran would face returning to his old job?
- What actions could the city and Sergeant Corcoran take to make the best of his decision to return to the force?
- What would you have done if you were in Sergeant Corcoran's shoes in terms of resolving the lawsuit? Why?
- What kinds of challenges do you imagine the interim city manager faced when he took over after the previous administrators were fired or resigned and the prior council recalled?
- What kinds of concerns do you think motivated the manager to offer *more* money to Sergeant Corcoran to stay retired?

Corcoran, however, wanted his job back more than the extra money. The parties negotiated a deal resulting in a settlement of just over \$400,000, \$160,000 was to reimburse his attorneys fees and the balance was for lost salary. Another \$83,000 went to Corcoran's retirement plan so his retirement benefits wouldn't be affected by not working those two years during the lawsuit's pendency.<sup>22</sup>

Sergeant Corcoran also got his badge back. Rather than wearing the embroidered version that others wear, Sergeant Corcoran wears the metal one. He polishes it every day.

### **General Discussion Questions**

- What are the overall lessons to be learned from the Bell scandal?
- How can such betrayals of the public's trust be prevented in the future?

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### References

<sup>1</sup> See [www.greenleaf.org/what-is-servant-leadership/](http://www.greenleaf.org/what-is-servant-leadership/) for more information.

<sup>2</sup> See [www.merriam-webster.com/dictionary/Sargent](http://www.merriam-webster.com/dictionary/Sargent).

<sup>3</sup> *Corcoran v. City of Bell*, No. BC442280, Complaint, at 4.

<sup>4</sup> Paul Pringle, "Former Bell Police Chief Accused of Quashing an Internal Investigation," *Los Angeles Times*, October 26, 2010, available at <http://articles.latimes.com/2010/oct/26/local/la-me-randy-adams-20101026>.

<sup>5</sup> Richard Winton, Paloma Esquivel and Ruben Vives, Federal Probe Targets Possible Civil Rights Violations In Bell, *Los Angeles Times*, September 10, 2010, available at <http://articles.latimes.com/print/2010/sep/10/local/la-me-bell-feds-20100910>.

<sup>6</sup> Ryan Gabrielson, "Salary Scandal in Bell Shines Light on Impound Cash," *California Watch*, September 10, 2010, available at <http://californiawatch.org/dailyreport/salary-scandal-bell-shines-light-impound-cash-4592>.

<sup>7</sup> *Corcoran v. City of Bell*, Complaint, at 2.

<sup>8</sup> Paul Pringle, "Former Bell Police Chief Accused Of Quashing An Internal Investigation," *Los Angeles Times*, October 26, 2010, available at <http://articles.latimes.com/2010/oct/26/local/la-me-randy-adams-20101026>.

<sup>9</sup> Paul Pringle, "Former Bell Police Chief Accused Of Quashing An Internal Investigation," *Los Angeles Times*, October 26, 2010, available at <http://articles.latimes.com/2010/oct/26/local/la-me-randy-adams-20101026>.

<sup>10</sup> The letter is posted on California Watch's website: <http://www.documentcloud.org/documents/10824-bello-letter-1.html>.

<sup>11</sup> Paul Pringle, "Former Bell Police Chief Accused Of Quashing An Internal Investigation," *Los Angeles Times*, October 26, 2010, available at <http://articles.latimes.com/2010/oct/26/local/la-me-randy-adams-20101026>.

<sup>12</sup> Paul Pringle, "Former Bell Police Chief Accused Of Quashing An Internal Investigation," *Los Angeles Times*, October 26, 2010, available at <http://articles.latimes.com/2010/oct/26/local/la-me-randy-adams-20101026>.

<sup>13</sup> Offered through the California Peace Officers Standards and Training; see <http://www.post.ca.gov/sherman-block-supervisory-leadership-institute.aspx> for more information.

<sup>14</sup> *Corcoran v. City of Bell*, Complaint, at 6.

<sup>15</sup> Paul Pringle, "Former Bell Police Chief Accused Of Quashing An Internal Investigation," *Los Angeles Times*, October 26, 2010, available at <http://articles.latimes.com/2010/oct/26/local/la-me-randy-adams-20101026>.

<sup>16</sup> Paul Pringle, "Former Bell Police Chief Accused Of Quashing An Internal Investigation," *Los Angeles Times*, October 26, 2010, available at <http://articles.latimes.com/2010/oct/26/local/la-me-randy-adams-20101026>.

<sup>17</sup> *Corcoran v. City of Bell*, Complaint, at 1. See Cal. Labor Code §1102.5. The complaint also alleges discrimination in violation of the California Fair Housing and Employment Act, Cal. Gov't Code §12900 *et seq.*

<sup>18</sup> Jeff Gottlieb and Ruben Vives, D.A. Looks Into City Of Bell's Salaries, *Los Angeles Times*, June 24, 2010, available at <http://www.latimes.com/news/local/bell/la-me-maywood-20100624,0,488611.story>.

<sup>19</sup> Jeff Gottlieb and Ruben Vives, Is A City Manager Worth \$800,000?, *Los Angeles Times*, July 15, 2010, available at <http://www.latimes.com/news/local/la-me-bell-salary-20100715,0,7352605.story>.

<sup>20</sup> Jeff Gottlieb, Former Bell Cop Who Blew Whistle On Alleged Corruption Gets Job Back, *Los Angeles Times*, August 3, 2012, available at <http://latimesblogs.latimes.com/lanow/2012/08/former-bell-cop-who-blew-whistle-on-alleged-corruption-gets-job-back.html>.

<sup>21</sup> Jeff Gottlieb, Former Bell Cop Who Blew Whistle On Alleged Corruption Gets Job Back, *Los Angeles Times*, August 3, 2012, available at <http://latimesblogs.latimes.com/lanow/2012/08/former-bell-cop-who-blew-whistle-on-alleged-corruption-gets-job-back.html>.

<sup>22</sup> Agenda Report, City of Bell, Approve Settlement Agreement with James Corcoran, (August 1, 2012), at 53, available at <http://www.cityofbell.org/home/showdocument?id=644>.