



therefore failed to adequately separate the two. He operated the H. Lamar Willis Foundation primarily out of his office at City Hall during the years of its existence.

7. Mr. Willis initially used his City Council letterhead to contact sponsors for the scholarship golf tournament and used city meeting rooms to conduct foundation business. The foundation's website listed Mr. Willis's council office, city address, city phone number, and city email address as contact information for the foundation and correspondence about the golf tournament directed persons to contact members of his staff at his city office number.
8. Mr. Willis's council staff conducted foundation business using city telephones, computers, printers, addresses, and email accounts. They were responsible for drafting and mailing foundation correspondence, writing updates for the foundation's website, notifying schools about the scholarship, sending out applications to high school students, circulating scholarship applications to board members for review, organizing the annual awards banquet, tracking foundation expenses, maintaining foundation receipts, and answering inquiries.
9. The foundation raised most of its funds through an annual golf tournament planned, organized, and staffed by employees and interns in the councilmember's office. They drafted solicitation letters, sent invoices to tournament sponsors, collected sponsors' logos for the program, accepted contributions and donations, solicited auction items, ordered t-shirts and prizes, coordinated volunteers, and managed the tournament on the day of the event.
10. Mr. Willis says that he paid members of his staff additional money for working for the foundation. The Ethics Office's investigation found evidence of one payment to a staff member for \$3,200 in 2006, but was unable to determine whether other payments were made.
11. Using the name H. Lamar Willis Scholarship Foundation, Mr. Willis solicited and accepted donations from companies that were prohibited sources from 2002 to 2007 because they were doing business with the City, seeking city business, or seeking official action from the City. The prohibited sources include an airline, public utilities, solid waste management companies, construction companies, consulting firms, parking companies, the local public employees union, a telecommunications firm, the local cable company, the manager of Underground Atlanta, the local transit authority, airport contractors, and airport concessionaires.
12. The Ethics Office's investigation found that 105 companies and individuals gave \$256,330 in donations that were deposited in the foundation bank account owned by Mr. Willis and under his sole control. The investigation further found that 61 of these donors were prohibited sources that gave nearly \$180,000 to the foundation.
13. In January 2008, the Georgia Revenue Commissioner issued an assessment of income tax against the foundation for the tax years 2002 through 2006. A tax lien of \$43,356 was filed against the foundation.
14. In 2009, a Fulton County Superior Court judge heard the case of *Secretary of State v. H. Lamar Willis*. The Secretary of State was seeking an injunction and disgorgement from

Mr. Willis of all monies he received on behalf of the foundation. The judge ruled against the state on the issues of fraud and disgorgement, but found that Mr. Willis violated the Georgia Charitable Solicitations Act by soliciting and accepting charitable contributions through the H. Lamar Willis Foundation without registering as a charitable organization or being exempt from registration and by failing to account for charitable contributions made to the foundation.. The court imposed a civil penalty of \$25,000 and enjoined Mr. Willis from nine acts related to charitable contributions and organizations.

### **CONCLUSIONS OF LAW**

15. H. Lamar Willis is an elected city official who is subject to the Code of Ethics found in sections 2-801 to 2-824 in the Code of Ordinances.
16. Section 2-817 prohibits any official or employee from accepting a gratuity.
17. A “gratuity” is defined as “anything of value given by or received from a prohibited source.” A prohibited source is any person, business, or entity that an official or employee knows or should know is seeking official action from the City, seeking to do or does business with the City, represents a client who seeks official action or business, or “has interests that may be substantially affected by the performance or non-performance of the employee’s official duties.” See § 2-801.
18. It is a violation of the ban on gratuities for officials or employees to receive checks, donations, and contributions from prohibited sources.
19. Mr. Willis violated the ban on gratuities when he accepted checks, donations, and sponsorships on behalf of his unincorporated foundation, which was under his sole control and ownership, from companies doing business with the City, seeking city business, or seeking official action.
20. Section 2-811 of the Code of Ethics states: “No official or employee shall request, use or permit the use of any publicly owned or publicly supported property, vehicle, equipment, labor or service for the private advantage of such official or employee or any other person or private entity.” There is an exception when city property “is provided as a matter of stated public policy for the use of officials and employees in the conduct of official city business.”
21. Mr. Willis and his staff were not conducting official city business when they solicited funds, organized the golf tournament, awarded scholarships, planned scholarship banquets, held board meetings, or performed other work on behalf of the foundation.
22. Mr. Willis violated section 2-811 when he requested, used, and permitted the use of city property, equipment, labor, and services to support and operate his private foundation from 2002 to 2007.

### **PENALTY**

23. In proposing a penalty, the Ethics Office has considered both aggravating and mitigating circumstances. The aggravating circumstances are that Mr. Willis raised money directly from prohibited sources at a time when he knew or should have known the foundation

had not been incorporated and that the use of public property to operate the foundation was a practice that continued for six years. Given the widespread use of city labor and equipment to support the foundation's work, it is not possible to identify the specific costs of the property used to determine an appropriate amount to reimburse the City.

24. As mitigating circumstances affecting the penalty, Mr. Willis has accepted responsibility for his actions, has been assessed a \$25,000 civil penalty in a related state action, and has been enjoined by court order from soliciting charitable contributions without first registering as a charitable organization. In addition, the foundation sponsored many public programs and projects that benefitted the community.

## **AGREEMENT**

25. Mr. Willis acknowledges that he violated the city's ethical standards by accepting donations and gifts from prohibited sources on behalf of his unincorporated foundation and by requesting, using, and permitting the use of city property and staff for the private advantage of his foundation.
26. He agrees to pay the City of Atlanta a fine of \$3,500 from personal funds, with \$500 due on March 1, 2011, and the remaining sum of \$3,000 due on September 1, 2011.
27. He further agrees that he will abide by the city's written policies on the use of city property, will not solicit donations from prohibited sources in his official capacity except for official city business or to fund projects for the public good as provided in the Code of Ordinances, and will comply with the Code of Ethics.
28. The parties agree to enter this settlement agreement to resolve all factual and legal issues raised in this matter and to reach a final disposition without the necessity of an evidentiary hearing before the Board to determine Respondent's liability.
29. The Respondent understands and voluntarily waives all procedural rights under the Code of Ordinances, including the determination of probable cause and the right to personally appear before the Board, subpoena witnesses to testify, confront and cross-examine all witnesses, and have the Board hear the matter at any enforcement hearing.
30. The Respondent acknowledges that this agreement is not binding on any other law enforcement or governmental agency and does not preclude the Board of Ethics from cooperating with or assisting any other law enforcement or government agency on this or any other related matter.
31. The Ethics Officer will submit this settlement agreement for consideration by the Board of Ethics at its next regularly scheduled meeting, and the Board must enter an order approving the agreement before it becomes the final decision and order in the case.
32. The parties agree that this agreement shall become null and void in the event that the Board refuses to accept it. The Respondent further agrees that no member of the Board of Ethics or its staff shall be disqualified from participating in any hearing before the Board because of prior consideration of this settlement agreement. 33. The failure of Respondent to comply with this agreement may result in initiation of an enforcement action for violation of its terms.



H. Lamar Willis  
Respondent

2/16/11

Date



Ginny Looney  
Ethics Officer

2/17/2011

Date