

Sheriff



Edward Spooner • Sheriff Okaloosa County



Contact: Michele Nicholson
Public Information Officer
Okaloosa County Sheriff's Office
850-651-7420
April 2, 2009

TERMINATION ANNOUNCED AT OCSO

The Okaloosa County Sheriff's Office has concluded an internal investigation into the conduct of Chief Deputy Mike Coup.

As a result of that investigation, Okaloosa Sheriff Ed Spooner today terminated Chief Coup's employment with the agency.

A copy of the official administrative inquiry report is attached.

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**Okaloosa County Sheriff's Office
Administrative Inquiry/Investigation
Disciplinary Action Notification**

| | | | |
|--|--------------------|---|-----------------------------|
| Employee (Last, First MI): Michael J. Coup | ID # 004 | Date: April 2, 2009 | OPS/AIS#: IA09-10 |
| You are hereby notified that the following policy violation(s) have been SUSTAINED and the following disciplinary action(s) are hereby taken. | | | |
| Policy Violation (General Order Number): 11.05(4), 11.05(14), 11.05(40) | | Specific Charge(s): Unsatisfactory Performance Conformance to Law Unbecoming Conduct | |
| Synopsis of Allegation(s): <p>1. I find that Chief Deputy Coup's failure to take appropriate action when required is a failure to supervise as outlined by the supervisory accountability provisions of OCSO Policy 1.02. This is a violation of OCSO Policy 11.05(4), Unsatisfactory Performance, and is hereby SUSTAINED.</p> <p>2. I find that Chief Deputy Coup failed to comply with laws, ordinances, rules, and the Constitutions of the United States and State of Florida, or any of their subdivisions. This is a violation of OCSO Policy 11.05 (14), Conformance to Laws, and is hereby SUSTAINED.</p> <p>3. I find that Chief Deputy Coup's conduct adversely affects the moral, operations, or efficiency of the agency and has a tendency to adversely affect, lower, or destroy public respect and confidence in the Office of the Sheriff. This is a violation of OCSO Policy 11.05(40), Unbecoming Conduct, and is hereby SUSTAINED.</p> | | | |
| Recommended Discipline: <input type="checkbox"/> Verbal Reprimand <input type="checkbox"/> ___ Days Suspension <input type="checkbox"/> Disciplinary Probation <input type="checkbox"/> Written Reprimand <input type="checkbox"/> Demotion in Rank <input checked="" type="checkbox"/> Termination | | | |
| Discipline will commence on (date): April 2, 2009 | | Supervisor Issuing Discipline: Captain J.D. Peacock, Inspector Office of Professional Standards | |
| <u>Ed Spooner</u> <u>4/2/09</u> Sheriff Ed Spooner Date | | <input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur Remarks: | |
| <u>Michael J. Coup</u> <u>4/2/09</u> Employee Signature Date | | | |
| I hereby acknowledge receipt of this notice: Employee Signature _____ Date: _____ | | | |

You are not authorized to act, conduct, or participate in any law enforcement activities from this date forward if the recommended discipline involves suspension or termination. Issued equipment shall be surrendered to the appropriate authorities if so instructed.

OKALOOSA COUNTY SHERIFF'S OFFICE

OFFICE OF PROFESSIONAL STANDARDS FORMAL INTERNAL INVESTIGATION



To: Sheriff Spooner
From: Captain J.D. Peacock
Date: April 1, 2009
Re: IA09-10
Michael J. Coup

BACKGROUND

Michael Coup is the Okaloosa County Sheriff's Office Chief Deputy and until recently held the title of Chief of Staff. In February 2009 Sabra Thornton was given the title of Chief of Staff in name only but Chief Deputy Coup continued to be responsible for the duties of the position of Chief of Staff. OCSO Policy 1.01 describes the position of Chief of Staff (Chief Deputy), in part, as follows:

- Chief of Staff- The Chief of Staff coordinates and directs all functions of the Okaloosa County Sheriff's Office. The Chief of Staff assumes all duties and responsibilities of the Sheriff in his absence.

Pursuant to the policy all division directors and members of the Office of Professional Standards report directly to Chief Deputy Coup.

During an interview, Chief Deputy Coup provided information as to his formal education and experience. He has a Bachelor's degree from Troy University and a Masters in Public Administration degree from the University of West Florida. Chief Deputy Coup has attended numerous advanced management and law enforcement training sessions, including the FBI National Academy, and the FDLE Chief Executive's Institute. Chief Deputy Coup has approximately 31 years of law enforcement experience, including 19 years with the Ft Walton Beach Police department, where he retired as a Lieutenant. Chief Deputy Coup has 12 years experience with the sheriff's office in various leadership capacities. He has been Chief Deputy

for the past three years. Chief Deputy Coup's management experience included three years as a member of the board of directors of Bridgeway Center, Inc.

Chief Deputy Coup also stated that he is an instructor at both Northwest Florida State College and West Florida University. He stated that he has taught leadership, emergency management and law enforcement classes at the schools. He also teaches new recruits at the law enforcement academy at NWFSC.

The Human Resources Office of this agency maintains a list of job descriptions within the agency and provides the following:

General Statement of Job – Chief Deputy

The Chief Deputy, appointed by the Sheriff, is the second highest ranking member of the Sheriff's Office and acts on the Sheriff's behalf during his absence. The duties of this position require a constitutional law enforcement officer, which requires the regular bearing of firearms. Chief Deputy of Okaloosa County is to preserve the peace, prevent and discover criminal acts and to enforce all the laws of the State of Florida and applicable Federal regulations. The Chief Deputy has ultimate supervisory/command authority of all operational facets of the Sheriff's Office, including special risk members or members whose duties include the pursuit, apprehension and arrest of law violators or suspected law violators. Reporting to the Chief Deputy is the Field Service Division, the Services Division, and the Investigative Division. Preserves law and order and protects life and property.

INVESTIGATIVE DETAILS

On February 27, 2009 Sheriff Ed Spooner placed Chief Deputy Michael Coup on paid administrative leave. This action was taken subsequent to the suspension of Sheriff Charlie Morris after his arrest by federal authorities in Las Vegas, NV.

On March 24, 2009 Sheriff Spooner directed me to conduct an internal investigation into the possible participation of Chief Deputy Michael Coup in an effort to provide employees with performance bonuses and subsequently having the employees give back portions of those bonuses to Sheriff Morris or others. I was also directed to investigate Chief Deputy Michael Coup's knowledge, responsibility and influence on administrative operations of the sheriff's office and specifically of the financial operations.

On March 25, 2009 I reviewed the contents of Chief Deputy Coup's desktop computer. Specifically I reviewed the contents of the agency e-mail account for Chief Coup.

On March 25, 2009 I conducted an interview of Chief Deputy Coup at the administrative complex of the sheriff's office. A subsequent follow-up interview was conducted on April 1, 2009. During both interviews Chief Deputy Coup was accompanied by Mr. Richard Schoditsch, Attorney at Law.

On March 31, 2009 I spoke with Finance Administrator Sandy Norris in relation to this investigation.

On March 31, 2009 and April 1, 2009 I spoke with Majors Mark Schniepp and Larry Ashley in reference to this investigation.

During the course of a continuing review of the operations of the sheriff's office several items surfaced in regards to the possible participation of Chief Deputy Michael Coup in a scheme to receive cash kickbacks from employee performance bonuses. These items included the following:

- During a federal search warrant served on the sheriff's office on February 27, 2009 federal investigators found \$5,900 in cash in Chief Deputy Coup's desk. \$5,000 of this cash was in an envelope marked "7K". (Search warrant property form). Chief Deputy Coup later acknowledged that the cash was in his desk draw and that he had received it from Sheriff Morris.
- On approximately January 29, 2009 Major Mark Schniepp went to Chief Deputy Coup and informed him that he and Major Larry Donaldson had received bonuses and that Sheriff Morris was requesting part of those bonuses be returned in cash to Terry Adams. Major Schniepp reported the incident to Coup to obtain his direction and assistance with the matter. Chief Deputy Coup stated that he only knew about Major Schniepp being asked to return money and was not aware of any other employee having to kickback money from bonuses other than he and Schniepp. Coup stated that he did not think that Schniepp was asking to assistance but was just grieving about the situation. Chief Deputy Coup's statements contradict those of Major Schniepp in regards to their conversation.

There is no indication that Chief Deputy Coup took any action in regards to this information other than tell Schniepp that he had also been asked to return a portion of a bonus in the past. [REDACTED]. There is no indication that Chief Deputy Coup made any attempt to report the matter to law enforcement prior to being called into speak with federal agents on February 27, 2009.

- A spreadsheet was recovered from the computer files of Director Terry Adams which contained employee bonus amounts for two pay periods. On this spreadsheet there were entries to the right of the information for some of the employees which indicated amounts returned. The returned amounts were totaled on the bottom right of the spreadsheet and equaled -31 (\$31,000). This amount was then split into three amounts of 7, 11, and 13. These amounts corresponded to three entries on the bottom left of the spreadsheet:

| | |
|-------|----|
| COUP | 7 |
| ADAMS | 11 |
| ????? | 13 |
| | 31 |

The question marks are as they appear on the spreadsheet.

During the course of the interviews with Chief Deputy Coup and interviews with Majors Larry Ashley and Mark Schniepp I learned the following:

- Chief Deputy Coup stated during the interview as part of this internal investigation that on one occasion, in October 2006, he received a performance bonus of \$6,000 and that Sheriff Morris asked that \$2,500 be returned to him in cash. Coup stated that he did not know what the sheriff wanted the money for. Coup did not indicate that he asked the sheriff why he needed the money. There is no indication that Chief Deputy Coup reported the incident to anybody or that he took any action administrative actions about the bonus kickback.
- Chief Deputy Coup stated that in December (2008) Sheriff Morris gave him a white envelope containing \$7,000 in cash. Coup did not receive a pay stub with this cash and the bonus was not recorded on his payroll records. Coup stated that he asked the sheriff if he could do that and the sheriff told him yes. Coup stated that he later went and “quizzed” Terry Adams about the cash bonus and she said that the bonus was appropriate. Coup stated that he trusted Adams explicitly. Coup stated that he told the federal authorities on the day Sheriff Morris was arrested that he thought the cash bonus was “unusual”. There is no indication that Chief Deputy Coup took any action to determine the source of the cash he received from Sheriff Morris. Coup stated that he spent \$1,100 of the cash on his kids for Christmas.
- Chief Deputy Coup was asked if he thought that it was a violation of law or an ethical lapse to give a portion of a bonus back in cash to the sheriff or Terry Adams. Coup stated that he did not and that the bonuses were between the employee receiving it and the sheriff. Coup stated the he “did not feel it was an ethical issue”.

- Major Larry Ashley stated that during the time period of April 2007 to April 2008 he went to Chief Deputy Coup and Sheriff Morris numerous times in reference to his concerns with the activities of Randall Holcombe. Ashley stated that he told Coup that he suspected Holcombe of using inmates for improper activities. Specifically that he was using the inmates to assist the operations of Barbara Morris' estate sale business. Ashley stated at one point he told Sheriff Morris that he would not approve Holcombe's time sheet and that he would be initiating disciplinary actions against Holcombe. Ashley stated that Coup was aware of this conversation with Sheriff Morris and Coup told Ashley that he would take care of it. This occurred during or around April 2008. Shortly after this Holcombe's employment status was changed to exempt (Exempt employees are paid salary and do not require a time sheet). Holcombe was also removed from Ashley's command and moved to Terry Adams division. Chief Coup stated that he thought that Major Ashley was just frustrated and that he had nothing to do with moving Holcombe out of Ashley's command. Coup stated that he did not take any action in regards to Ashley's concerns about the use of inmate labor.
- Major Mark Schniepp reported a conversation with Chief Coup which took place at Joe & Eddie's Restaurant where he and Coup had observed Randall Holcombe eating lunch with two inmates. Schniepp stated that Coup made a comment that they must have been doing something for Barbara.
- Chief Deputy Coup became aware that two employees had performed work at Sheriff Morris' residence. These two employees were supposed to be taking annual leave while performing the work. Chief Coup stated that he was aware that the leave for both employees was credited back to them. Coup stated that either the sheriff or Terry Adams credited their leave back to them. Coup stated that he did not take any action about this incident other than he did not see it happen again.

FINDINGS

OCSO General Order 1.02 provides for authority and responsibility standards for supervisors. It further describes supervisory accountability and states in part:

...Supervisors shall be responsible for adherence to the Sheriff's Office rules, regulations, orders and policies. Supervisors are responsible for maintaining appropriate discipline. Supervisors shall determine training needs not otherwise met by the agency.

· Supervisory Responsibility - a standard of supervision which a reasonable and prudent person in a supervisory position "should know or should have known" regarding the actions or performance of a subordinate under their supervision. This standard includes personal interaction with individuals and other subordinates, personal observation ...

Chief Deputy Coup he is at the highest level of the supervisory chain of command within the sheriff's office. He is directly responsible for all operations of the sheriff's office. There were several instances revealed during this investigation which indicated a lack of supervisory responsibility in the Chief Deputy's position. Beginning in October 2006 Chief Deputy Coup was aware that Sheriff Morris asked for cash back from a performance bonus. During the following years Chief Coup received numerous bonuses and was aware that other employees were getting bonuses. In February 2009 Chief Coup was advised by Major Schniepp that employees were asked to give back cash from performance bonuses. A reasonably prudent person would have known that the actions of the sheriff regarding the bonuses would constitute some form of official misconduct. Chief Coup took no action about the bonuses given to employees.

Major Mark Schniepp reported that he told Chief Deputy Coup on January 29, 2009 that he and Major Larry Donaldson had received bonuses and that Sheriff Morris had asked for portions of the bonuses be returned in cash. Major Schniepp stated that he requested assistance with this problem from Chief Coup. During interviews with Chief Coup he stated that he was not aware of anybody other than he and Schniepp having to return portion of a bonus.

Chief Deputy Coup was advised of issues related to Randall Holcombe's use of inmate labor by Major Ashley. Major Schniepp stated that Chief Coup was aware that Holcombe was using the inmates to help Barbara Morris. Chief Coup was also made aware of concerns about Holcombe's improper time sheets. Chief Coup took no action on either issue other than say that it was Major Ashley's responsibility to supervise Holcombe. Chief Coup was told that as Major Ashley was preparing to discipline Holcombe he was removed from Ashley's command. Chief Coup stated that Sheriff Morris must have made that decision. A reasonably prudent person would have known that the actions of the Randal Holcombe regarding the use of inmates would constitute some form of official misconduct.

Chief Deputy Coup received a cash "bonus" from Sheriff Morris sometime in December 2008. This "Bonus" consisted of a white envelope containing \$7,000 in cash. Chief Deputy Coup used \$1,100 of the cash for personal expenses. A spreadsheet was located in the computer records of Terry Adams which detailed the distribution of performance bonuses to employees for the pay periods of September 29, 2008 and October 10, 2008. Also included on this spreadsheet were amounts that coincided with several cash kickbacks from those bonuses. The amounts

were shown in a column which was totaled and then shown as split three ways with the amount 7 going to COUP.

A review of Florida statutes found that incidents described above may violate the following statute:

- 112.313 Standards of conduct for public officers, employees of agencies, and local government attorneys.--
(4) UNAUTHORIZED COMPENSATION.--No public officer, employee of an agency, or local government attorney or his or her spouse or minor child shall, at any time, accept any compensation, payment, or thing of value when such public officer, employee, or local government attorney knows, or, with the exercise of reasonable care, should know, that it was given to influence a vote or other action in which the officer, employee, or local government attorney was expected to participate in his or her official capacity.

CONCLUSION

There is a preponderance of evidence that Chief Deputy Coup failed to act in several situations which required actions to correct violations of agency policy. Specifically that he did not act after becoming aware of concerns with Randall Holcombe's use of inmates and after becoming aware of the use of employees at Sheriff Morris' residence.

There is a preponderance of evidence that Chief Deputy Coup failed to act when advised that employees were asked to participate in a scheme to kickback cash from performance bonuses to Terry Adams and Sheriff Morris. There is also a preponderance of evidence that Chief Deputy Coup received proceeds from the kickback scheme.

1. I find that Chief Deputy Coup's failure to take appropriate action when required is a failure to supervise as outlined by the supervisory accountability provisions of OCSO Policy 1.02. This is a violation of OCSO Policy 11.05(4), Unsatisfactory Performance, and is hereby **SUSTAINED**.
2. I find that Chief Deputy Coup failed to comply with laws, ordinances, rules, and the Constitutions of the United States and State of Florida, or any of their subdivisions. This is a violation of OCSO Policy 11.05 (14), Conformance to Laws, and is hereby **SUSTAINED**.
3. I find that Chief Deputy Coup's conduct adversely affects the moral, operations, or efficiency of the agency and has a tendency to adversely affect, lower, or destroy public

respect and confidence in the Office of the Sheriff. This is a violation of OCSO Policy 11.05(40), Unbecoming Conduct, and is hereby **SUSTAINED**.

//s//

Captain J.D. Peacock

Inspector

Office of Professional Standards

Okaloosa County Sheriff's Office