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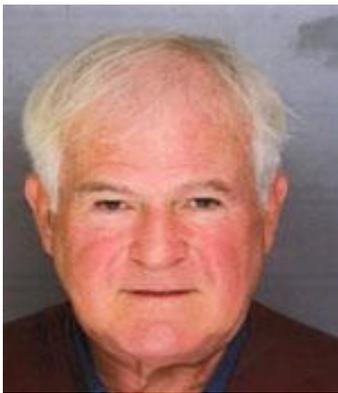
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**FOR IMMEDIATE RELEASE**  
**DECEMBER 6, 2011**

## **Results of 18 Month Investigation Into County Commissioners**



Montgomery County District Attorney Risa Vetri Ferman announces the results of an eighteen month grand jury investigation into the County Commissioners that culminated in a report, presentment and the arrest of Montgomery County Commissioner, James R. Matthews for Perjury and False Swearing.

As a result of newspaper stories from investigative reporters surrounding the Montgomery County Board of Commissioners and civilian complaints into the Commissioners' activities, a Grand Jury investigation was launched. From March 2010 until November 2011, the Montgomery County Investigating Grand Jury, reviewed extensive evidence including testimony from numerous witnesses, who provided unique and specified knowledge into the subject matters at hand. They examined evidence regarding non-public meetings held between two of the County Commissioners where County business was discussed, potentially improper use of campaign funds by Commissioners, lapse in County procedures regarding contract bidding and the Open Space Program, and a potential Conflict of Interest violation by one Commissioner. The Montgomery County Investigating Grand Jury issued a sealed report of their findings on November 16, 2011. The report was reviewed and unsealed by the Supervising Judge of the Grand Jury, the Honorable William J. Furber on December 5, 2011.

The Grand Jury found that there were non-public, pre-arranged meetings between Chairman of the Board of Commissioners, James Matthews and Commissioner Joseph Hoefel outside the presence of Commissioner Bruce Castor. The County Solicitor, Barry Miller and the Deputy Chief Operating Officer, James Maza would also attend these meetings. The Grand Jury found that while these meetings appeared to be improper, there was insufficient evidence to show that deliberations occurred, as required by the Sunshine Act. Despite finding no violation of law, the Grand Jury stated in its report "we feel that Montgomery County citizens have the right to expect transparency from their representatives." They made several recommendations to the State Legislature to change the punishment for the Act in order to discourage elected officials from these type of meetings.

An inquiry into campaign expenditures of the Commissioners began, but was halted after the Grand Jury concluded that the State Law was too vague to be enforceable and the potentially applicable federal law was changed during the course of the investigation. However, the Grand Jury did find that Matthews made several disturbing expenditures, including paying \$57,000 worth of expenditures to his personal credit card and \$20,000 worth to his personal vehicle. In its report, the Grand Jury made recommendations to both the Federal and State legislature to change the laws surrounding campaign expenditures.

The Grand Jury also examined evidence regarding the County's Open Space Program, a program which dedicates \$150 million of taxpayers' money toward preserving open space and farmland; re-greening towns and boroughs; and protecting natural and water resource areas. The Grand Jury found that there is no written standard of procedure or even a followed common practice for the program. In its report, the Grand Jury stated "[W]e, as citizens, are confident that it wasn't the intention of the County's taxpayers for this money to be spent without careful thought, deliberation and documentation when they voted for this referendum." The Grand Jury found that "currently those entrusted with making decisions for the County on spending millions of our dollars are doing so carelessly and without any written guidance that we are able to refer to." While stating this behavior did not rise to the level of criminality, the Grand Jury made recommendations to the County in order to establish a procedure, which would ensure that the Program was being run properly.

The Grand Jury also examined the County's competitive bidding process, know as the "Request For Proposal (RFP) policy". In their report, the Grand Jurors found the process currently utilized by the County does not promote competition. They found that instead the current procedure "allow certain service providers to receive favoritism." While they did not find that the lapse in the RFP process constituted a crime, the Grand Jury made several recommendations to the County to improve this process.

The Grand Jury examined a business relationship between Commissioner Matthews and Certified Abstract Company, who had been contracted to do the County's title work. The Grand Jury did not find sufficient evidence to show that there was an improper relationship between the two. However, it was during the course of this inquiry that the Grand Jury discovered that Matthews made misrepresentations on a Statement of Financial Interest, a form required by law to be completed by all

elected officials. The Grand Jury refers further inquiry into the Statement of Financial Interest to the State Ethics Committee.

In examining this business relationship, the Grand Jury subpoenaed Matthews to provide sworn testimony on October 5, 2011. The Grand Jury found that Matthews lied on several occasions during the course of his sworn testimony before the Grand Jury. In its report, the Grand Jury recommended to the District Attorney that Matthews be charged with Perjury and False Swearing. In addition, they issued a Presentment, which detailed the multiple lies that Matthews made during the course of his testimony and asked the District Attorney, once again, to charge him with Perjury and False Swearing. The Grand Jury found that "Matthews lied with such ease and frequency, that he acted as though, as Chairman of the Montgomery County Board of Commissioners, he is above the law."

After taking the requests of the Grand Jury and their Presentment under advisement, the District Attorney approved filing charges against Matthews for Perjury and False Swearing.

Matthews will be arraigned before Magisterial District Judge Margaret Hunsicker later this morning at 11:45 AM. Judge Hunsicker's Court is located at 754 E. Johnson Highway, Norristown, PA.

This case will be prosecuted by the Captain of the Grand Jury and Public Corruption Units, John Gradel and Special Assistant District Attorney Antonetta Stancu.

Approved for release:

Risa Vetri Ferman

[Criminal Complaint, 12/5/2011](#)

[Report, 12/5/2011](#)

CRIMINAL CHARGES, AND ANY DISCUSSION THEREOF, ARE MERELY ALLEGATIONS AND ALL DEFENDANTS ARE PRESUMED INNOCENT UNTIL AND UNLESS PROVEN GUILTY.