LEGISLATOR INDICTED: Donors didn't vet groups: Firms such as Coke gave to Brooks nonprofits despite shaky records.

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The purported charities State Rep. Tyrone Brooks is accused of stealing from have a poor record of filing records and of maintaining their status as qualified nonprofits. That didn't stop companies like Coca-Cola, Georgia-Pacific, Georgia Power or Northside Hospital from giving to one or both, in sums reaching into the tens of thousands.

Personal financial disclosures Brooks files annually with the state, meanwhile, show he reported little income outside his $17,000 annual legislative salary. When asked previously where his income comes from, Brooks said he had a variety of business interests.

Brooks, 67, had a message Friday for U.S. Attorney Sally Yates, the day after he was indicted on 30 counts of mail, wire and tax fraud.

"One thing I want her to know is I'm not a thief and my mother didn't birth any thieves," Brooks said, giving the first hint that he will proclaim his innocence. "We don't have them in our family."

Records filed with the state and federal government show neither of Brooks’ organizations, the Georgia Association of Black Elected Officials or Universal Humanities, is now an official charity, and GABEO hasn't even been a registered state corporation for several years. Universal Humanities, meanwhile, last filed federal tax returns in 2010, and the Internal Revenue Service revoked its 501(c)(3) nonprofit status in 2011.

Brooks is accused of soliciting contributions from corporations and individuals for both GABEO and Universal Humanities for several years and using almost $1 million in donations for personal expenses.

He said Friday that he will hold a news conference next Thursday at 1 p.m. at Moore's Ford Bridge in Monroe. The bridge was the site of a 1946 lynching of two black couples. No one was ever convicted of the crime. Brooks, who organizes annual re-enactments of the killings, has said his study of the lynching has shown that the FBI was involved, and that the federal investigation of him now is retribution.

Universal Humanities was founded in 1990, according to records filed with the secretary of state. In 2010, Brooks signed a federal tax return for the organization that claimed total revenue of $60,000 in 2009. That was the last year for which a return was filed, according to Guidestar.org, a website that publishes charitable documents.

GABEO, meanwhile, was created in 1976 and was officially dissolved, according to the secretary of state, in 1988. It was never re-incorporated. A separate foundation was created in 1985 and later dissolved by the secretary of state in 2008.

Brooks' 2011 personal financial disclosure, filed with the state ethics commission, shows he accepted $450 in honorariums for speeches to county NAACP branches and lists himself as being founder and CEO of University Humanities, a member of the steering committee board for the Georgia Coalition for the People's Agenda, president of GABEO and vice president of African American Business Systems.

He owns a house in southwest Atlanta valued at between $100,000 and $200,000 and is married to a public school teacher who also owned a boutique, according to the records.
According to the indictment, Coca-Cola gave $400,000 from 1995 through 2012 to Universal Humanities, as Brooks solicited gifts "purportedly to combat illiteracy in disadvantaged communities in Georgia and across the southeastern United States, eventually raising more than $780,000."

Coke gave another $96,500 to GABEO, while Georgia Power and the International Brotherhood of Teamsters each contributed more than $35,000.

Other major donors to Universal Humanities include Georgia-Pacific, which gave $140,000, and Northside Hospital, which gave $240,000.

None of the companies would provide details of their dealings with either GABEO or Universal Humanities. But a spokesman for Northside Hospital characterized its giving to Universal Humanities as charitable contributions.

"Northside Hospital has a long-standing commitment to give back to the community it serves," Russ Davis, director of marketing and public relations, said. "Northside made significant charitable contributions to Universal Humanities with the understanding that those contributions would support its stated mission of providing assistance and needed services to disadvantaged people."

Georgia-Pacific's contribution to Universal Humanities was to promote literacy, which is a key focus for its "community investment strategy," spokesman Karen Cole said.

Companies such as Coke, Georgia-Pacific and Northside Hospital, just like individuals, can deduct charitable contributions from their federal taxes. But what happens if the charity isn't really a charity? Do the companies suddenly have unpaid tax liabilities?

Not really, said Jack Fishman, a tax attorney and retired IRS special agent.

"Let me put it to you this way," Fishman said. "Coke, in good faith, gave money to a charity. Coke got a warm feeling in its belly that it gave money to a charity. They gave in good faith."

Fishman said if he created a charity, "call it Dag Gum It's a Good Charity charity, and I went and solicited money from Coca-Cola from the Dag Gum It's a Good Charity charity. Now, Coke is going to get the deduction."

But Georgia State University professor Conrad Ciccotello, an expert in law and finance, said, "There's an element of due diligence that we should all practice in dealings, certainly in business dealings."

Ciccotello did not directly address the Brooks case, but said if a company had reason to believe the recipient of its contribution was not an actual charity, "There could be legitimate questions around the tax deductibility of that."

Fishman said mail, wire and tax fraud are common charges in these types of cases. The statutes are broad and easy to fall prey to.

"The fact that I used the Internet or telephone to solicit means I committed wire fraud," he said. "The fact that I sent things in the mail means I committed mail fraud."

The indictment claims that Brooks made "false representations to donors about how the solicited funds would be used" for both Universal Humanities and GABEO.

Staff writer Leon Stafford contributed to this article.