



Lawrence F. Alwin, CPA  
State Auditor

Special Investigations Report Regarding  
**San Angelo Independent  
School District**

February 13, 2002

Members of the Legislative Audit Committee:

The Tom Green County District Attorney for the 119th District obtained five indictments for Dr. Joe E. Gonzales, former superintendent of the San Angelo Independent School District (ISD), on January 31, 2002. The Special Investigations Unit of the State Auditor's Office and the Department of Public Safety conducted the investigation leading to these indictments. Representative Robert Junell requested that the Special Investigations Unit assist the Department of Public Safety.

The indictments allege that Dr. Gonzales appropriated funds from the San Angelo ISD without the consent of the district on eight different occasions between March 22, 1999 and May 17, 2001. The thefts totaled more than \$15,000. Dr. Gonzales was charged with eight counts of theft in five different indictments. The amounts of five of the alleged thefts were between \$1,500 and \$20,000; each a third-degree felony with a maximum punishment of two to ten years in prison and a \$10,000 fine. The amounts of three of the alleged thefts were between \$500 and \$1,500; each a state jail felony with a maximum punishment of 180 days to two years in a state jail and a \$10,000 fine. These indictments all include a public servant enhancement because Dr. Gonzales was alleged to have appropriated the funds during the course of his employment as superintendent of the San Angelo ISD.

The **San Angelo ISD** is a public school district located in Tom Green County that provides kindergarten through 12th grade education to students residing within the district. The district serves about 16,000 children and has a budget of \$79.47 million for the 2001-2002 school year.

The District Attorney also obtained two indictments against Robert Allen, the executive director of support services for the San Angelo ISD. The indictments allege that Robert Allen knowingly presented a falsified document to the grand jury and provided official bid information, which was not public, to another bidder.

The **Special Investigations Unit** investigates reports of illegal activity involving state agencies and universities.

Texas Government Code, Section 321.022, requires state agencies and universities to report suspected fraud or unlawful conduct to the State Auditor's Office if there are facts that point to fraud or unlawful conduct.

If you have any questions contact Matthew Samuelson, Senior Investigator, Special Investigations Unit, at (512) 936-9500.

To report suspected illegal activity, call 1-800-TX-AUDIT (1-800-892-8348), send a fax to (512) 936-9400, visit [www.sao.state.tx.us](http://www.sao.state.tx.us), or mail information to the State Auditor's Office, Attn: SIU, P.O. Box 12067, Austin, Texas 78711.

Sincerely,

Lawrence F. Alwin, CPA  
State Auditor

cc: The Honorable Steve Smith, Tom Green County District Attorney  
Ms. Julia Stout, President, San Angelo Independent School District Board of Trustees

SAO Report No. 02-020