

Ex-admiral named in conflict inquiry

by Kelly Thornton

Retired Rear Adm. Jose Luis Betancourt, the "Navy Mayor" of San Diego who went on to become chief administrative officer of San Diego City Schools, is under federal investigation and may face conflict-of-interest charges over his relationship with two government contractors.

Investigators with the Naval Criminal Investigative Service are trying to determine whether Betancourt violated a federal law that prohibits certain high-ranking government officials from employment with contractors for one year after retirement. Betancourt said Thursday he was aware of the probe of his dealings with the companies but declined to comment. "I haven't been charged with anything, but there is an investigation," he said. "It's not related to my current employment."

The respected and popular administrator of the San Diego Unified School District had a 33-year military career that included commanding a destroyer during the 1991 Persian Gulf War. Betancourt retired from the military in October 2005. Investigators are looking into his relationships with two companies: Virginia-based Access Systems Inc., which provides information technology and management consulting to most of the Cabinet-level departments and the armed services; and a now-defunct related company, The Accela Group, another consulting firm based in New Orleans.

Betancourt's association with the companies was no secret - corporate officials publicized his hiring in press releases in 2005 and 2006.

The Accela Group announced on Dec. 13, 2005, that Betancourt was named chairman of its board of directors less than a month after his military retirement. Authors of the press release, distributed by PR Newswire, noted Betancourt's distinguished Navy career and said the company was formed to bid on contracts at the Navy's Space and Naval Warfare Systems Command, known as SPAWAR. "As the Chairman of the Board of Directors, Admiral Betancourt brings to The Accela Group the knowledge gained during his 33-year Navy career, including extensive experience in Naval personnel programs," the release said.

In another announcement in April 2006, Access Systems Inc. announced that Betancourt "has joined the company as Executive Director for Navy Programs. Admiral Betancourt will provide leadership to Access management and staff working on Navy contracts and will oversee Access' Navy customer relationship management initiative."

In that press release, Betancourt is quoted: "I'm pleased to have the opportunity to work with Access as it continues its strong record of growth in the defense IT market. I look forward to providing the leadership necessary to ensure optimal results for all of Access' Navy programs."

Investigators declined to discuss the matter.

"It's an ongoing case and we can't comment on them," said John Cooper, special agent in charge of the Naval Criminal Investigative Service's San Diego office.

The penalty for violating the conflict-of-interest statute depends on a defendant's state of mind. If the conduct were inadvertent, it would be considered a misdemeanor punishable by up to one year in jail. If it were deemed a willful and knowing violation, it would be a felony and could bring up to five years in prison.

As commander of the Navy's Southwest Region, Betancourt was responsible for housing, environmental issues, security, port and airfield operations, utilities, family services and other support services for bases in California, Nevada and Arizona. In the past 10 years his assignments have included serving as an intelligence officer with NATO in Brussels and New York City. Betancourt was skipper of the amphibious assault ship Peleliu, based in San Diego, from 1996 to 1998. He then took over the Navy's mine warfare command in Corpus Christi, Texas.

Betancourt returned to San Diego in 2002 to assume command of the Navy's Southwest Region. He retired about three years later and joined the school district staff.

As the district's chief administrative officer since November of 2005, Betancourt oversees operations, including business, finance, transportation, facilities and food services. His annual salary is \$185,000. He has a three-year contract that expires December 31, 2008.

The school district has made a big push to make ethics a top priority in recent months. In the fall, the district, which employs 15,800 workers and has an annual budget of more than \$1 billion, hired an ethics officer and activated a fraud hotline. The ethics officer's job is to familiarize employees with the district's ethics code, facilitate organization-wide dialogues on values and ethical behavior and counsel employees facing dilemmas.

Several board members could not be reached for comment Thursday. One, Katherine Nakamura, said she was unaware of the investigation but had nothing but respect for Betancourt.

The 58-year-old was born in Mexico, the oldest of eight children. As a child, he picked strawberries for several summers in Northern California with his family. He became a naturalized U.S. citizen in the early 1970s.

Betancourt has aspirations to someday lead a school district. Earlier this month, he became one of only a few applicants selected to participate in a 10-month academy that trains leaders with backgrounds other than education to become superintendents of urban public school districts.

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