



NEWS RELEASE

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DOCS BOSS CHEATED STATE OUT OF \$500,000 Took Fridays Off For 17 Years at Taxpayer Expense

For 17 years, the former director of the state Department of Correctional Services' Food Processing Center in Rome engaged in fraudulent activities that cost taxpayers \$500,000, according to a joint report issued today by State Comptroller Thomas P. DiNapoli and State Inspector General Joseph Fisch.

The audit revealed that Howard Dean, the former director, falsified hotel invoices and collected travel reimbursements that his supervisors knew were improper. He also submitted false timesheets and claimed he worked Fridays, when in fact, he never worked a Friday in 17 years.

“Dean blatantly defrauded taxpayers while management looked the other way,” DiNapoli said. “It’s outrageous. Individuals responsible for our correctional system deliberately disregarded the rules and let one of their own steal from taxpayers. We’re going to work with the District Attorney and the Inspector General to get to the bottom of how widespread this fraud is and to make sure that those who acted inappropriately are held accountable.”

“The uninterrupted fleecing of the state’s treasury for 17 years by Mr. Dean could not have occurred without the acquiescence, if not the complicity, of his supervisors,” Fisch said. “Mr. Dean owes the taxpayers of New York State the 20 percent of his paycheck which he never earned, but swindled, and his managers are no less accountable.”

Dean served as the director of the Food Production Center or “cook-chill,” located on the grounds of the Oneida Correctional Facility in Rome, until his retirement in August 2008. As the director, his salary was \$112,743. He is currently collecting a pension of \$57,381.

The findings of the report have been referred to the Oneida County District Attorney Scott D. McNamara. DiNapoli’s office also has a second audit in progress to determine if the alleged fraud is more widespread and is examining how the findings may impact Dean’s pension.

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The report details the fraudulent practices that Dean engaged in from 1992 to August 2008 including:

Fraudulent Travel Practices

- **Improper Travel Reimbursements (\$205,114):** Dean allegedly worked full-time at the center in Rome, but senior management inappropriately designated Auburn and later Albany as the official location of his job so Dean could improperly obtain reimbursement for travel costs, including hotels and per diem expenses for meals. Dean lived in Locke, which is 88 miles from the center.
- **Inappropriate Use of State Vehicle, Gas & Tolls (\$32,293):** Senior management assigned him a vehicle, which was in direct violation of the department's policies, that Dean used to commute to work with gas and tolls paid for by taxpayers.
- **Falsified Claims (\$7,393):** An analysis of Dean's E-Z Pass charges revealed that during a two-year period, Dean falsified documents and claimed he stayed at the Quality Inn in Rome for 75 nights, when in fact he did not. He had an arrangement with the owner and manager of the hotel to charge his state credit card on nights that he didn't stay at the hotel. In some instances, the now current director of the center inappropriately stayed at the hotel and it was charged to Dean's credit card.
- **Incorrectly Permitted to Stay in State Housing (\$2,992):** Dean's managers allowed him to stay in state-owned housing for only \$87 a month when rent for apartments in the Oneida County area is about \$461 per month. He was not entitled to stay in state housing and the current director is not staying in state housing.
- **Double Dipping (\$1,831):** On several occasions, Dean ate his meals at the center but also submitted a request for meal reimbursement, essentially getting compensated twice.

Falsified Time and Attendance Records

- **Fridays Off (\$229,765):** Dean claimed on time sheets that he worked Fridays, when in fact, he never worked on Fridays. Dean freely admitted to auditors that he did not work Fridays for the entire 17 years he was in charge of the center, although he was paid for a five-day work week.
- **Unwarranted Benefits (\$18,065):** Dean received vacation time that he should not have received because he did not work on Friday.

How This Alleged Fraud Occurred - Management Cavalierly Disregarded Rules

- Numerous examples were identified of senior management helping Dean manipulate the system and disregarding state rules and the department's own rules so Dean could collect improper travel reimbursements;
- Dean's supervisor told auditors that Correctional Services management often disregarded state rules.

The report contains a series of recommendations to ensure adequate controls are in place at the department to prevent wrongdoing and encourage staff to report corruption, fraud, conflicts of interest or abuse by other staff.

Commissioner Brian Fischer in response to the report indicated that the department has taken steps to improve internal controls and train staff on identifying fraud and abuse. He disagrees that Dean was not entitled to occupy state-housing but is currently reviewing the department's policy related to housing, as well as several other policies that were violated by Dean. His response is part of the report.

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