



STATE OF NEW YORK
OFFICE OF THE STATE INSPECTOR GENERAL
Final Report
May 6, 2010

SUMMARY OF FINDINGS/RECOMMENDATIONS

The New York State Inspector General determined that Gerry McNamara, a former employee of the Department of Taxation and Finance (DTF), while employed by DTF sold cocaine and marijuana on numerous occasions to fellow DTF employees Esther Rockenstire, Fredrick Ramundo, Steve Graham, and Lisa Maynard, and Department of Labor (DOL) employee Robert Disser on New York State property at the Harriman State Office Building Campus in Albany. The Inspector General's investigation also revealed that Rockenstire consumed cocaine while at work.

The Inspector General recommended that DTF and DOL take appropriate disciplinary action against the above-named employees. A copy of this report also was provided to the Albany County District Attorney for his review and consideration of possible criminal charges.

ALLEGATION

The Inspector General received a complaint from DTF regarding suspected drug activity by certain state employees discovered by DTF's Labor Relations bureau during a review of Gerry McNamara's e-mails on his state computer in the course of an investigation into alleged Internet abuse during state-work hours.

SUMMARY OF INVESTIGATION

Background

While investigating suspected Internet abuse by McNamara, a DTF Taxpayer Services Representative 1, DTF Labor Relations personnel found suspicious e-mail messages on McNamara's state computer. These e-mails between McNamara and several other DTF employees contained cryptic communications seemingly about the sale of illegal drugs by McNamara to other DTF employees at the Harriman State Office Building Campus.

During an ensuing interrogation by DTF's Labor Relations officials, McNamara admitted that he sold cocaine and marijuana on numerous occasions to fellow DTF employees while on state property. McNamara stated he communicated with his DTF employee customers via the office e-mail system, using an informal system of code words rather than direct language to refer to their drug activities. He explained he commonly utilized cryptic references, such as to food, to denote drugs or money to sell drugs. An e-mail from DTF employee Esther Rockenstire to McNamara on December 3, 2008, is illustrative of the coding employed:

I don't have extra cheese on me that I would need
but I would love some crackers. You let me know .
. . you know I'm good for it anyhow.

Following McNamara's interrogation by DTF Labor Relations, a small bag of a white powdery substance which resembled cocaine was recovered by DTF officials from McNamara's state work desk. McNamara was placed on administrative leave; shortly thereafter, he resigned from DTF. DTF thereafter notified the Inspector General and the State Police of the matter. Prior to the Inspector General's involvement in this case, the State Police interviewed McNamara, who admitted to selling cocaine to DTF employees Graham, Rockenstire, Maynard, Ramundo, as well as to DOL employee Disser.

The Inspector General's Investigation

The Inspector General interviewed the aforementioned state employees suspected of purchasing drugs from McNamara and examined their state e-mails. Rockenstire, a Calculations Clerk 2 who has been employed by DTF for approximately 21 years, testified that she began purchasing cocaine from McNamara in late 2008, and that she had continued to purchase cocaine from him until he left state service. She stated that McNamara often communicated with her via the office e-mail system, and confirmed that McNamara used code words when discussing drug transactions with her such as "cheese" to denote either cocaine or money to purchase drugs. The Inspector General discovered e-mails to Rockenstire from McNamara using this code:

I'm not 100 percent but if you get me the cheese . . . it will
be no later then afternoon tomorrow, but a good chance
today or tonite I should say.

Rockenstire further averred that the illicit transactions occurred on state property and admitted to consuming the cocaine she had purchased from McNamara on multiple occasions in the DTF women's restroom.

When interviewed by the Inspector General, Ramundo, a 24-year DTF employee and currently a Principal Mail and Supply Clerk, admitted to buying cocaine from McNamara for two years. According to Ramundo, the last time he had purchased cocaine from McNamara was in early March 2009, after McNamara had left employment with DTF. Ramundo explained, and a review of e-mails confirms, that he and

McNamara used the office e-mail system to coordinate the cocaine transactions using the same code words described above. Ramundo testified that he sometimes paid cash to McNamara for the cocaine while at work, but the actual drug transactions occurred off state property. Corroborating McNamara's admission, Ramundo further advised the Inspector General that he understood that McNamara also sold cocaine to other state employees, namely Graham and Disser.¹

Disser has been employed as a supervisor of data processing by DOL for approximately 30 years. When questioned by the Inspector General, Disser admitted that he purchased cocaine from McNamara a few times a month using the DOL e-mail system to coordinate the purchases. Typically, according to Disser, he paid McNamara in the DOL parking lot and received the cocaine later, off state property. He and McNamara also did not communicate openly about the cocaine, but referred to drugs in coded words. For example, Disser explained that in e-mail messages, cocaine was referred to as "game."

The Inspector General also interviewed DTF employees Steve Graham and Lisa Maynard, both of whom denied purchasing illegal drugs from McNamara. Undermining these denials, McNamara's admission of selling illegal substances to Graham and Maynard is corroborated by numerous e-mail communications between them and McNamara employing veiled and coded language reminiscent of McNamara's communications with his other drug clients. Although Graham and Maynard claimed that these e-mail messages amounted to gibberish or nonsense devoid of meaning, the cryptic language utilized coupled with the inability of Graham and Maynard to provide any legitimate subject of these communications further supports McNamara's admissions.

FINDINGS AND RECOMMENDATIONS

The Inspector General found that on numerous occasions, then-DTF employee Gerry McNamara sold illegal drugs to other state employees. DTF employees Esther Rockenstire and Fredrick Ramundo, and DOL employee Robert Disser admitted to purchasing illegal drugs from McNamara. While DTF employees Steve Graham and Lisa Maynard denied purchasing drugs, their denials are undermined by McNamara's admissions and e-mail communications. The illicit drug transactions were typically arranged by McNamara using the state's e-mail system and many of the sales occurred on state property. The investigation further revealed that Rockenstire used cocaine in the women's restroom of the DTF office.

McNamara has left state service precluding disciplinary action by DTF. However, the Inspector General recommended that DTF seek appropriate discipline against current employees Rockenstire, Ramundo, Graham, and Maynard. It was further

¹ Ramundo named a third state employee who he believed also had purchased cocaine from McNamara; however, the Inspector General's investigation did not substantiate the employee's involvement in cocaine transactions.

recommended that DOL seek appropriate disciplinary action against Disser. A copy of this report also was provided to the Albany County District Attorney for consideration of criminal charges.

As recommended, DTF and DOL advised the Inspector General they are conducting internal investigations and will take appropriate disciplinary action.