



NEWS

From the Office of the New York State Inspector General
Joseph Fisch

Contact: Kate Gurnett
(518) 474-1010
kate.gurnett@ig.state.ny.us

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Inspector General Blocks International Scammers Shipping to Ghana *One Convicted; \$117,000 Recovered*

New York State Inspector General Joseph Fisch today announced the recovery of more than \$117,000 in computer equipment targeted by international swindlers after a joint investigation with the state Office of General Services (OGS) and local police departments.

The state-wide investigation, which led to one conviction, targeted thieves operating out of the Republic of Ghana, who posed as New York State employees. Using a common Internet scheme known as “reshipping,” the scammers ordered computers and cell phones from state contractor Hewlett Packard and had them shipped to private residences. Meanwhile, they tapped social networking sites to lure average citizens into sending what they were told were legitimate goods to West Africa.

Working together for nearly a year, the Inspector General and OGS were able to recover more than \$117,000 of \$167,000 in stolen equipment before it shipped to Ghana. The Inspector General also forwarded his report to the Federal Bureau of Investigation for review and appropriate action.

Ricardo Mattis, 31, of Queens, was arrested in late 2009 and convicted of possession of stolen property. Mattis, who sent nearly \$20,000 in laptops and cell phones to Ghana, told police he had an Internet romance with a woman claiming to be Eastern European but living in Ghana. She convinced him to forward her the items.

In all, the scammers struck six times in the past year, using phony purchase orders and posing as OGS or Civil Service employees to obtain computers from Hewlett Packard, which has a multi-million dollar state contract to sell discounted computer equipment to agencies and other buyers. The items were initially sent to private residences in Queens, Elmira, Jamestown and Kenmore, N.Y., as well as Sumter and Beech Island in South Carolina.

“This joint investigative effort blocked a group of cyber criminals who targeted state agencies and conned unwitting citizens,” Inspector General Joseph Fisch said. “I commend OGS for bringing this case to my office’s attention and enabling us to interrupt this international swindle. We urge state agencies and contractors to remain on alert for this and other Internet scams.”

"Identifying and acting to reduce fraud is another way that agencies can work to address our current fiscal crisis," said John C. Egan, Office of General Services Commissioner. "The quick action of a member of the OGS staff that initially recognized the scam and the resulting cooperation of the Inspector General's office, the Queens District Attorney's office, and local law enforcement are a wonderful example of governmental cooperation that resulted in substantial savings to taxpayers."

While more than \$50,000 in equipment sent to two South Carolina residences was not recovered, the state was not required to reimburse Hewlett Packard for the fraudulent purchases.

State investigators from the Inspector General's office, OGS and local police were able to reclaim \$117,000 in goods in western New York. Those cases included:

- A Kenmore woman in her 40s who was surfing the Web when she met a man who claimed to be an Italian entrepreneur working in Ghana. After she sent him money and a cell phone, he e-mailed her prepaid shipping labels and asked her to forward him 12 computers worth \$18,744.
- A 52-year-old Internet chatter from Elmira who met an alleged Illinois widower. The man had 22 computers worth \$35,400 delivered to the woman's house and asked her to forward them overseas.
- A 47-year-old Jamestown resident who had donated clothing to a Ghanaian orphanage and suddenly received 16 computers worth \$25,000 at her home.

The Inspector General concluded that Hewlett Packard failed to scrutinize private or out-of-state shipping addresses because the company's call center processes sales as quickly as possible. The company is now working with OGS to prevent future thefts, according to the report.

Also, based on the Inspector General's recommendation, OGS is alerting all users of state centralized contracts of the fraud and encourage them to review invoices and take other preventative measures.