



STATE OF NEW YORK
OFFICE OF THE STATE INSPECTOR GENERAL

Investigation Finds Racing Board Employee Had Conflict of Interest

May 9, 2007

An investigation by New York State Inspector General Kristine Hamann found that Joseph DeSimone, a Starting Judge at Monticello Raceway, officiated at races in which a relative competed, and violated New York State Racing and Wagering Board (RWB) rules by failing to disclose that relatives of his work at the track.

DeSimone has been employed by RWB since 1987 as a Starting Judge, primarily at Monticello, a harness track in Sullivan County. The investigation found that DeSimone officiated at races in which his cousin, John DeSimone, competed as a driver. It was also determined that in 2005 DeSimone borrowed \$5,000 from a personal friend who owns horses raced at Monticello and whose son is a driver/trainer at the track.

DeSimone acknowledged these relationships, but stated they had no impact on his Starting Judge duties. DeSimone said he had twice penalized horses driven by the son of the friend who loaned him money, and that he had also fined his cousin when he violated RWB rules. Our review of Monticello race records showed that a horse driven by the friend's son was fined for a starting gate infraction at Monticello in 2004, and that his cousin received 20 fines and/or suspensions at Monticello between 1992 and 2004 for various infractions, some at the starting gate. However, the records did not indicate the name of the Starting Judge who imposed the penalties.

The Inspector General's Office concluded that DeSimone's conduct constituted a conflict of interest between his official duties and his personal activities.

Additionally, the investigation found that DeSimone, in violation of RWB regulations, from 2000 to 2006 failed to disclose in documents submitted to RWB that he had relatives and/or personal acquaintances employed at the track. In fact, as DeSimone acknowledged to us, several of his relatives work at the track. In addition to his cousin, noted above, they include his father, who is employed by RWB as a substitute Starting Judge; a cousin employed by Monticello as a secretary; and a cousin employed by Monticello as the track superintendent. DeSimone further acknowledged his girlfriend works as a RWB Supervising Inspector at the track.

Despite DeSimone's failure to disclose these relationships, RWB had at least constructive knowledge that relatives of DeSimone worked at the track, as the agency employed his father and licensed a cousin with the same surname. Additionally, many other RWB employees, including RWB investigators assigned to Monticello, knew that members of the DeSimone family were employed at the track over many years.

Our investigation also found that Dana Bogdan, the RWB Supervising Inspector at Monticello, failed to properly secure information concerning which races were to be selected for "total carbon dioxide", or TCO₂, testing during the period 2005-2006. (TCO₂ tests are used to detect the presence of performance-enhancing substances in horses.) Bogdan acknowledged that at times she left paperwork and calendar notations relating to testing on her desk in an office to which track employees had access. Bogdan believed it likely that employees observed this information and relayed it to trainers. After hearing "rumors" this was occurring, Bogdan said, she took steps to safeguard such information prior to test time.

The Inspector General's Office referred these findings to RWB for appropriate action. We also referred our findings regarding DeSimone to the New York State Ethics Commission.

The RWB advised us that as a result of this Office's investigation DeSimone will be suspended for 30 days without pay. The RWB also advised that it formally counseled Bogdan and revised its procedures for the selection of races to be tested for TCO₂.