



STATE OF NEW YORK
OFFICE OF THE STATE INSPECTOR GENERAL
Final Report
December 19, 2008

SUMMARY OF FINDINGS/RECOMMENDATIONS

The New York State Inspector General determined that George Alexander, Chairman and Chief Executive Officer of the New York State Division of Parole, misappropriated a laptop computer purchased with state grant funds while he was director of the Erie County Probation Department. The laptop was in Alexander's possession for over a year after he resigned his position with Erie County. Alexander returned the computer at the request of the Erie County Probation Department only after it was discovered as missing and in his possession. The Inspector General's forensic analysis of the laptop determined that it has been devoted to his family's personal use while in the Alexander home and not to fulfill the purposes of the grant or for state business. On June 4, 2008, the Inspector General formally referred this matter to the New York State Attorney General.

ALLEGATION

On April 17, 2008, the New York State Division of Criminal Justice Services referred to the Inspector General an allegation that a missing computer purchased with state grant funds was found in the possession of George Alexander.

SUMMARY OF INVESTIGATION

Background

George B. Alexander was the Director of the Erie County Probation Department from February 2000 until February 9, 2007, when he resigned to assume the position of Chairman and Chief Executive Officer of the New York State Division of Parole.

During Alexander's tenure as Director of the Erie County Probation Department, the department participated in a multiagency program designed to reduce juvenile violence in Buffalo, the Buffalo Youth Impact Project. The department joined with other local agencies and the City of Buffalo to request grant funding from the state Division of Criminal Justice Services for the program. The portion of the funding proposed for the probation department was to cover overtime for probation officers making home visits to

at-risk youth, and to purchase a laptop computer to allow the officers to record the findings of their visits in the field. On September 1, 2004, the City of Buffalo received the funding for the program, and distributed it to the participating agencies.

The probation department did use a portion of the funding to purchase a \$1,700 laptop computer in December 2006, but the computer was never used in service of the Buffalo Youth Impact Project. Anne Martin, Director of the Erie County Probation Department at the time of the Inspector General's investigation and the Deputy Director during the Alexander administration, acknowledged that the computer was not purchased until after the grant expired in November 2006. The Probation Department's participation in the Buffalo Youth Impact Project also ceased in November 2006, after its request for continued grant funding was denied.

In this regard, the Inspector General was informed by Erie County Comptroller Mark Poloncarz, that his office also conducted an investigation on behalf of the county. During the course of their investigation, Alexander told the Erie County Comptroller's Office that many of the computers purchased with grants by the Probation Department were not being used for their intended purpose. When asked about this statement by the Inspector General, Alexander denied making it. Alexander conceded, however, that some of the laptops purchased with grant funds were not used at all, and that the laptop purchased with Buffalo Youth Impact Project grant funds was not used for its intended purpose.

Martin explained the well-established procedure in county agencies, including the Erie County Probation Department, was for computer equipment purchased by county agencies to be delivered to the county's Division of Information and Support Services. The Division of Information and Support Services would then configure the equipment for use within the county network and assign it a tracking number for inventory purposes. Contrary to this protocol, the computer in this matter was delivered directly to the Erie County Probation Department. Because the computer was delivered directly to the Probation Department, it was not included in the county's inventory of computer equipment.

In August 2007, six months after Alexander's resignation, the Division of Criminal Justice Services requested to see the laptop as part of an audit of the Buffalo Youth Impact Project grant. Officials at the Erie County Probation Department were unable to locate the laptop. Alexander's former secretary Denise Skowkowski told the Inspector General that as part of the search she contacted Alexander to ask if he had the computer. According to Skowkowski, Alexander stated that he did not have the computer.

Upon a review of the invoice, Erie County Probation Department Grant Specialist Michelle Higgins learned that the laptop was equipped with theft protection software. She contacted the vendor who referred her to Computrace, the company providing the theft-protection service. On February 19, 2008, Computrace informed Higgins that it had located the computer, but the company would not disclose the location of the computer unless the theft was reported to the police.

At the direction of then-Director Anne Martin, Higgins reported the theft of the laptop to the Erie County Sheriff's Department on March 20, 2008. On March 28, 2008, Detective Alan Rozansky advised Higgins that Computrace had located the laptop in the home of George Alexander. Computrace had also determined that Alexander's son apparently had been using the computer to access the Internet.

Martin told the Inspector General that later that same day she spoke with Alexander on the telephone. She said she advised him that theft protection service had located a missing laptop at his home, and that his son had been using it. According to Martin, Alexander replied, "let me get to the bottom of this, and I will call you back." Martin reported that Alexander contacted her about two hours later to say that he would return the computer after his son finished copying files stored on it. Alexander returned the laptop to the Probation Department on April 3, 2008.

The Inspector General obtained e-mail correspondence between Martin and Deputy County Executive Mark Davis. In the correspondence, Martin informed Deputy County Executive Mark Davis that the missing laptop had been discovered in Alexander's home, but that Alexander had agreed to return it. Martin advised Davis that the agency had reported the theft to the sheriff, but stated, "At this point, assuming the computer is returned, I am inclined to allow the matter to be closed without further prosecution." Davis replied, also by e-mail, "Go ahead and get the computer back and let it drop."

The Erie County Probation Department advised the Division of Criminal Justice Services that it had located the laptop, but failed to reveal that the computer had been located in Alexander's home or that it had been used for purposes inconsistent with the grant. The Division of Criminal Justice Services referred the matter to the Inspector General after learning of Alexander's involvement from an anonymous letter questioning Erie County's handling of the matter.

The Inspector General's forensic analysis of the laptop computer determined that it had been used since early in 2007 in a manner consistent with home or personal use, and not in a business or state-related capacity. Few files were found to be associated with Alexander's employment with the county or state, but numerous files documented the Internet activity of Alexander's son, including personal correspondence, "Facebook" profiles, "MySpace" content, music files, images containing adult content, and personal and family photographs. Notably, the Inspector General's forensic analysis revealed that on April 2, 2008, the day before Alexander returned the computer to the Erie County Probation Department, approximately 100 files reflecting personal use were deleted from the computer.

On May 22, 2008, the Inspector General questioned Alexander regarding his possession of the laptop. Alexander acknowledged that he did have the computer in his possession, and stated that he was embarrassed and sorry about it. He claimed that he had "no intent to deprive," and his possession of the laptop was mere stupidity. Alexander acknowledged that he had denied to Denise Skowkowski that he had the computer, but claimed that he had believed she was referring to another department laptop of the same brand that he turned in upon his departure from the agency. When questioned further about the second laptop, Alexander stated that the computer had not

been formally assigned to him, and that, as director, he just “took” a laptop if he needed one.

Alexander admitted that he was aware that the missing laptop had been purchased with grant funds, but said that he took it home “to play with it” and check out its “bells and whistles,” and then forgot about it. Contrary to evidence revealing that his son had used the computer extensively, Alexander stated that the computer had remained in his basement unused. Alexander added that his family does not need another laptop because his son and daughter each have a laptop, he has a state-issued laptop, and they have four desktop computers in their home.

Alexander claimed that he first learned of the computer’s presence in his home in March 2008 when Martin called him and advised him that his son was using it. However, Alexander denied that he had told Martin that he would return the computer after his son finished downloading information from the computer. Rather, Alexander maintained that, after speaking to Martin, he went to his basement, where he sometimes works, and located the computer. He stated multiple times that he never spoke with his son about whether he used the computer. He stated, “When I got the computer out ofwhere it was, I turned the computer in. OK. I did not download or instruct [my son] to download anything.” He added, “I have not had any conversations with my son, as I told you earlier, regarding that computer at all.”

Approximately 40 minutes after departing the interview, Alexander telephoned the Inspector General and asked to amend his statement. Alexander stated that he now recalled, after learning from Martin that his son may have been using the computer, saying to his son, “If you have anything on that computer you better get it off because folks are saying I stole it.” However, Alexander still maintained that he did not recall saying to Martin that he would return the computer after his son finished downloading information from the computer.

FINDINGS AND RECOMMENDATION

The Inspector General determined that Chairman and Chief Executive Officer of the New York State Division of Parole George Alexander misappropriated a laptop in December 2006 from the Erie County Probation Department. The laptop, which was purchased with state grant funds, was found in Alexander’s possession over one year after he resigned as director of the Erie County Probation Department. While Alexander claimed that he had forgotten about the laptop and that it had not been used since he brought it home, a forensic examination of the laptop showed that personal correspondence of Alexander’s son, family photographs, adult content and other personal files had been deleted a day before he surrendered the computer to county officials. Regardless, the laptop was never utilized for proper purposes under the state grant and there simply was no legitimate reason for Alexander to possess this computer, much less bring it to his house.

Alexander only returned the computer after being advised that theft protection software had located the computer in his home. On June 4, 2008, the Inspector General

formally referred this matter to the New York State Attorney General pursuant to Executive Law § 63(3) for further investigation and prosecution, if warranted.

The Inspector General is also troubled by the fact that county officials failed to go forward with a criminal complaint with the local police and failed to reveal the location of the laptop's discovery or the fact that the computer had not been used in accordance with the state grant to the Division of Criminal Justice Services. Both then-Probation Director Martin and Deputy County Executive Davis have retired from county service. Nonetheless, the Inspector General will provide a copy of this report to the Erie County Board of Ethics for its review.