



NEWS

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

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Self-Dealing NYSTI Director's Improper Spending Topped \$1 Million

State Inspector General Joseph Fisch found that New York State Theatre Institute (NYSTI) Producing Director Patricia Snyder repeatedly violated state laws on nepotism and used the state authority to steer nearly \$700,000 in payments and benefits to her husband, her children, and herself, while overseeing an additional \$475,000 in questionable expenses.

As Producing Director, Snyder, 69, had full control of spending and hiring with scant oversight by the board of directors, the Inspector General's report concludes. This unbridled control allowed her to abuse the Troy-based public authority, selecting herself and her close relatives more than 300 times to work on 92 percent of all NYSTI productions. Under Snyder's direction, NYSTI also shelled out nearly \$280,000 on meals, chauffeured rides and other indulgences, such as a state-leased apartment in midtown Manhattan.

"This is an outrageous misappropriation of public funds," Inspector General Joseph Fisch said. "A public authority is not a family business, nor a family employment agency."

NYSTI was established in 1974 to provide theater and education for New York youth. It presents several stage productions annually, and had a 2009-2010 budget of \$3.6 million. NYSTI has 33 staffers and hires actors, creative staff, and technical workers on a per-production basis.

The 127-page report focuses on hiring and spending from 2004 to 2009. It concludes that Snyder failed to recognize NYSTI as a state entity, instead treating it like a family fiefdom. While under investigation, Snyder back-dated financial records, made reimbursements more than two years late, and sometimes gave false testimony. The report details how Snyder:

1. Repeatedly violated the state's Public Officers Law ban on nepotism and self-dealing by hiring her son, steering nearly \$600,000 in contract jobs and other benefits to her husband, William Fortune Snyder, two sons, George Fortune Snyder and William Severin Snyder, and two daughters-in-law, Mary Jane Hansen and Shannon Johnson Snyder. Snyder testified:

There is no law in New York State on nepotism . . . This boy, this man [her son, William Severin Snyder, 39] is qualified and so am I.

When questioned about waste and nepotism, Snyder replied: *You know, you are getting into very dicey waters, artistically. I will tell you, the arts community will be up in arms with this line of questioning. We are talking about artists . . . Art is not like running an OGS office.*

In all, Snyder paid her immediate family and spouses to fulfill the roles of actor, producer, director, author, narrator, musician, sound technician, composer, arranger, programmer, illustrator, instructor and office assistant.

2. Executed highly irregular contracts to benefit herself in the amount of \$54,100, in addition to her \$127,050 annual salary. Specifically, Snyder hired herself as director or associate director for 22 NYSTI productions from 1995 to 2009, receiving \$19,500 from the state in expense payments, \$27,700 in state contributions to a secondary private pension and private health benefits plan and \$6,900 in duplicate or undocumented “reimbursements.”
3. Acquired the adaptation rights to “Miracle on 34th Street” on behalf of NYSTI, then improperly transferred the rights to herself and her son, William. As a result, the Snyders privately profited each time the play was staged – earning more than \$38,000 each. Snyder also concealed her royalty payments from the NYSTI board of directors and failed to report this income on multiple financial disclosure statements to the state Commission on Public Integrity.
4. Had NYSTI spend more than \$150,000 in state funds on an unnecessary apartment near Carnegie Hall which Snyder then improperly used as lodging for friends and family.
5. Launched a money-losing audiobook venture which employed her family, cost New Yorkers \$199,000 and earned less than \$8,500 in revenues from 2005 to 2009.
6. Approved more than \$277,000, in questionable spending for hundreds of restaurant meals, such as lunch at the Russian Tea Room. The public also funded 83 chauffeured car rides, mostly to New York City, \$1,563 in air fare to Ireland, gala tickets and gifts.

Inspector General Fisch has forwarded his findings to the Commission on Public Integrity to review possible Public Officers Law violations, to the Office of the State Comptroller, the state Authorities Budget Office and to the Attorney General for consultation and any further appropriate action.

The Inspector General also urged the NYSTI board of directors to review Snyder’s conduct and take appropriate action and implement the following:

- A formal policy to prevent future conflicts of interest, nepotism and self-dealing.
- New safeguards to keep expenditures within state guidelines.
- A review of the necessity of the New York City apartment.

Upon receipt of the Inspector General’s report, the NYSTI board of directors placed an immediate moratorium on family hiring and terminated the lease on the Manhattan apartment.

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