

Office of Operations
2014 Fall Conference

October 7 - 9

Collaboration for Success



Tools to Facilitate Contract Monitoring

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Layli Nazirova

Adam Roberts



WHY ARE WE HERE?

- ❑ We are here because we have a duty and mission to carry out.
- ❑ Today's duty and mission:
 - ❑ Learn about monitoring



ROADMAP

- ❑ Monitoring necessity
- ❑ Challenges and concerns
- ❑ Differing but complementary roles
- ❑ Seven-step process
- ❑ Fraud
- ❑ Field visits



WHY MONITORING IS NECESSARY

- ❑ Agency missions
- ❑ Billions in State spending
- ❑ Risks
 - ❑ Health & Safety
 - ❑ Goal Achievement
 - ❑ Dollars
 - ❑ Reputation
- ❑ Fraud
- ❑ Errors



BRAINSTORMING SESSION

□ Agency Concerns



AGENCY MISSIONS

- ❑ Goal accomplishment
- ❑ Differing but complementary roles
 - ❑ Contract development
 - ❑ Technical Assistance
 - ❑ Fiscal Review
 - ❑ Audit



RISKS

- ❑ Health & Safety
- ❑ Goal Achievement
- ❑ Dollars
- ❑ Reputation



RISKS – HEALTH AND SAFETY

- ❑ Whose health and safety?
 - ❑ Department of Environmental Conservation
 - ❑ Department of Health
 - ❑ State University of New York



RISKS – GOAL ACHIEVEMENT

- ❑ What are the goals?
 - ❑ **DEC:** “To conserve, improve and protect New York's natural resources and environment...”
 - ❑ **DOH:** “To protect, improve and promote the health, productivity and well being of all New Yorkers.”
 - ❑ **SUNY:** “To provide high quality, affordable education to students from all social and economic backgrounds.”



RISKS – DOLLARS

- ❑ Billions in State spending



IMPACT – REPUTATION

The New York Times

City Payroll Project Was Riddled With Fraud

By DAVID W. CHEN and WILLIAM K. RASHBAUM
Published: June 20, 2011

Nearly all of the \$600 million that New York City's main contractor for its troubled automated payroll system was tainted by fraud, prosecutors said Monday in an indictment that charged two technology executives with a company in what a United States attorney described as an elaborate scheme."

Contractor Strikes \$500 Million Deal in City Payroll Scandal

By MICHAEL M. GRYNBAUM
Published: March 14, 2012

A major government contractor agreed on Wednesday to pay a record \$500 million to avoid federal prosecution for its role in the scandal-tarred [CityTime](#) project, an effort at modernizing New York's payroll system. The project was plagued by widespread fraud and weak oversight and became a lingering embarrassment for Mayor [Michael R. Bloomberg](#)'s administration.

Fraud Charges in New York's Payroll Overhaul

By JOHN ELIGON
Published: December 15, 2010

Of all the city programs that have ever gone wrong in New York, few could compare to CityTime, [an automated system](#) meant to streamline employee timekeeping.



STEP 1. IDENTIFY RISKY CONTRACTS

- ❑ What data do you have available?
- ❑ How can it help you identify risky contracts?



RISKS

- ❑ Health & Safety
- ❑ Goal Achievement
- ❑ Dollars



New York State Comptroller Thomas P. DiNapoli

[Open Book New York Video](#) 

Office of the State Comptroller

OPEN BOOK NEW YORK



Local Government Spending

See how your county, city, town, village, fire or school district gets and spends tax dollars.



State Contracts

Look at active New York State contracts and see who is doing business with the State. Data is updated daily.



State Spending

A summary level view of all state spending. Data is updated monthly.



State Payments

Find payments made by the State since April 1, 2012. Data is updated daily.



Public Authority Information

Find financial and other information about public authorities.



Open Book New York

Home > NYS Active Contract Search

NYS Active Contract Search

Basic Search Criteria

Search Contracts by

State Agency/Authority Vendor Agency/Authority & Vendor

Agency/Authority Name

[Search for an Agency/Authority](#)

Advanced Search Criteria

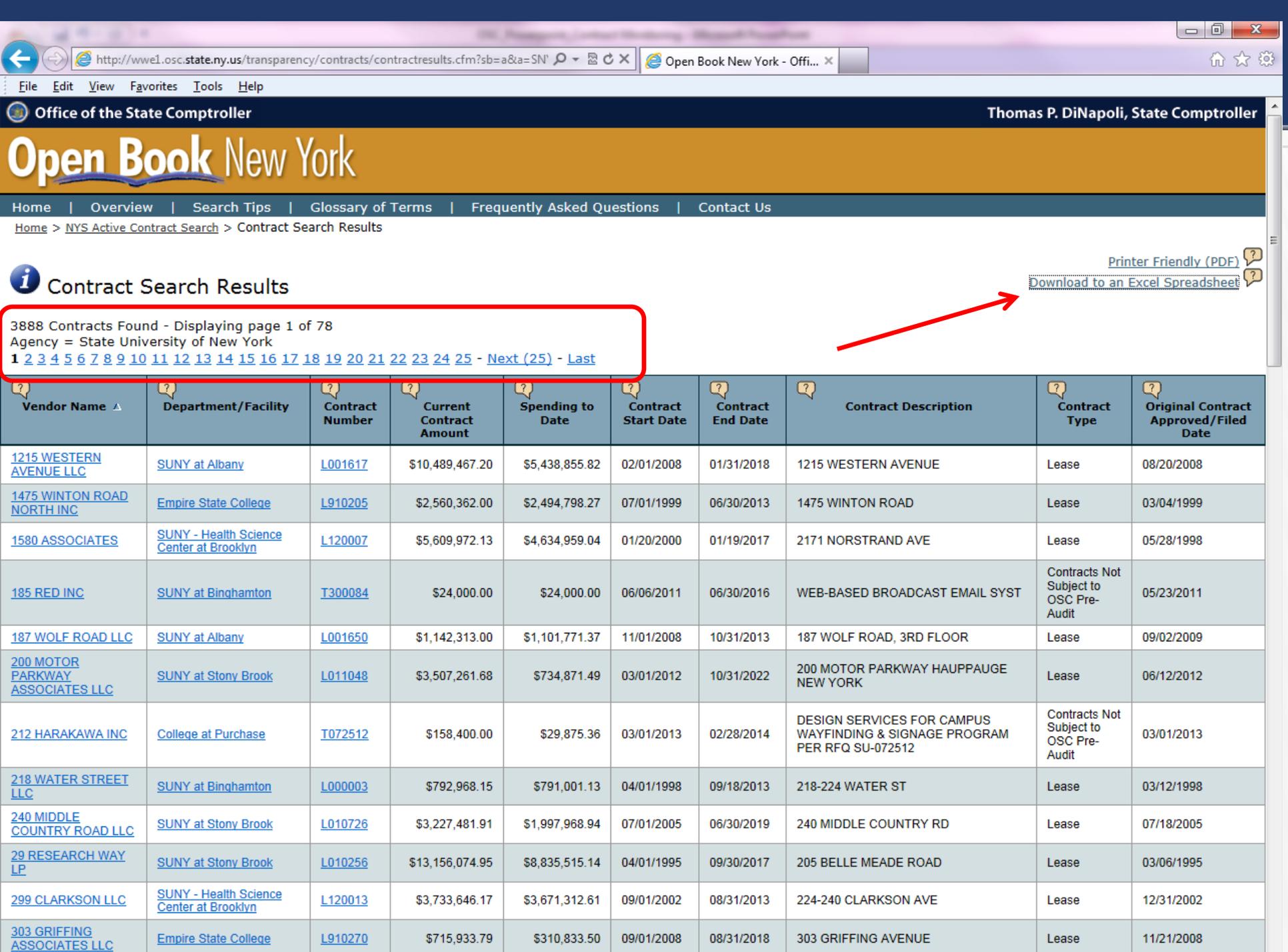
Data on Active State Agency Contracts is current as of 10/17/2013.

In April 2012, New York State implemented a new Statewide Financial System (SFS), replacing an outdated accounting system with a state-of-the-art financial information and management system.

Most active contract data previously available in Open Book New York is now current as of the above date. Because of the complexities involved in converting data, listings for contract amendments that were approved prior to March 30, 2012 will show aggregated data as of that date and will not display detail about amendments before that date. Also, public authority contract data is limited while we continue conversion. Currently, the site includes data primarily for the Thruway Authority, the Canal Corporation, and the Long Island Power Authority.

If you have questions about prior-year amendments and any public authority contracts not currently included in Open Book New York, please contact us at 1-866-370-4672 or ciohelpdesk@osc.state.ny.us and we will assist you with the information you need.

Thank you for your patience while we improve this site.



Open Book New York

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Contract Search Results

3888 Contracts Found - Displaying page 1 of 78
Agency = State University of New York
[1](#) [2](#) [3](#) [4](#) [5](#) [6](#) [7](#) [8](#) [9](#) [10](#) [11](#) [12](#) [13](#) [14](#) [15](#) [16](#) [17](#) [18](#) [19](#) [20](#) [21](#) [22](#) [23](#) [24](#) [25](#) - [Next \(25\)](#) - [Last](#)

Vendor Name	Department/Facility	Contract Number	Current Contract Amount	Spending to Date	Contract Start Date	Contract End Date	Contract Description	Contract Type	Original Contract Approved/Filed Date
1215 WESTERN AVENUE LLC	SUNY at Albany	L001617	\$10,489,467.20	\$5,438,855.82	02/01/2008	01/31/2018	1215 WESTERN AVENUE	Lease	08/20/2008
1475 WINTON ROAD NORTH INC	Empire State College	L910205	\$2,560,362.00	\$2,494,798.27	07/01/1999	06/30/2013	1475 WINTON ROAD	Lease	03/04/1999
1580 ASSOCIATES	SUNY - Health Science Center at Brooklyn	L120007	\$5,609,972.13	\$4,634,959.04	01/20/2000	01/19/2017	2171 NORSTRAND AVE	Lease	05/28/1998
185 RED INC	SUNY at Binghamton	T300084	\$24,000.00	\$24,000.00	06/06/2011	06/30/2016	WEB-BASED BROADCAST EMAIL SYST	Contracts Not Subject to OSC Pre-Audit	05/23/2011
187 WOLF ROAD LLC	SUNY at Albany	L001650	\$1,142,313.00	\$1,101,771.37	11/01/2008	10/31/2013	187 WOLF ROAD, 3RD FLOOR	Lease	09/02/2009
200 MOTOR PARKWAY ASSOCIATES LLC	SUNY at Stony Brook	L011048	\$3,507,261.68	\$734,871.49	03/01/2012	10/31/2022	200 MOTOR PARKWAY HAUPPAUGE NEW YORK	Lease	06/12/2012
212 HARAKAWA INC	College at Purchase	T072512	\$158,400.00	\$29,875.36	03/01/2013	02/28/2014	DESIGN SERVICES FOR CAMPUS WAYFINDING & SIGNAGE PROGRAM PER RFQ SU-072512	Contracts Not Subject to OSC Pre-Audit	03/01/2013
218 WATER STREET LLC	SUNY at Binghamton	L000003	\$792,968.15	\$791,001.13	04/01/1998	09/18/2013	218-224 WATER ST	Lease	03/12/1998
240 MIDDLE COUNTRY ROAD LLC	SUNY at Stony Brook	L010726	\$3,227,481.91	\$1,997,968.94	07/01/2005	06/30/2019	240 MIDDLE COUNTRY RD	Lease	07/18/2005
29 RESEARCH WAY LP	SUNY at Stony Brook	L010256	\$13,156,074.95	\$8,835,515.14	04/01/1995	09/30/2017	205 BELLE MEADE ROAD	Lease	03/06/1995
299 CLARKSON LLC	SUNY - Health Science Center at Brooklyn	L120013	\$3,733,646.17	\$3,671,312.61	09/01/2002	08/31/2013	224-240 CLARKSON AVE	Lease	12/31/2002
303 GRIFFING ASSOCIATES LLC	Empire State College	L910270	\$715,933.79	\$310,833.50	09/01/2008	08/31/2018	303 GRIFFING AVENUE	Lease	11/21/2008

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General Number

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Sort & Find & Filter Select

A1 Open Book New York

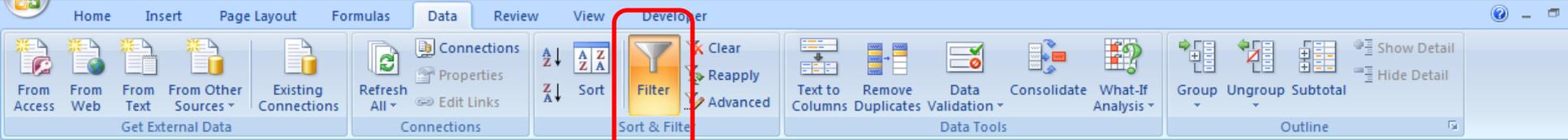
Open Book New York

Office of the State Comptroller

Thomas P. DiNapoli, State Comptroller

Contract Search Results

Vendor Name	Department/Facility	Contract Number	Current Contract Amount	Spending to Date	Contract Start Date	Contract End Date	Cont
1215 WESTERN AVENUE LLC	SUNY at Albany	L001617	\$10,489,467.20	\$5,438,855.82	02/01/2008	01/31/2018	1215 WESTERN
1475 WINTON ROAD NORTH INC	Empire State College	L910205	\$2,560,362.00	\$2,494,798.27	07/01/1999	06/30/2013	1475 WINTON
1580 ASSOCIATES	SUNY - Health Science Center at Brooklyn	L120007	\$5,609,972.13	\$4,634,959.04	01/20/2000	01/19/2017	2171 NORSTRA
185 RED INC	SUNY at Binghamton	T300084	\$24,000.00	\$24,000.00	06/06/2011	06/30/2016	WEB-BASED BF
187 WOLF ROAD LLC	SUNY at Albany	L001650	\$1,142,313.00	\$1,101,771.37	11/01/2008	10/31/2013	187 WOLF ROA
200 MOTOR PARKWAY ASSOCIATES LLC	SUNY at Stony Brook	L011048	\$3,507,261.68	\$734,871.49	03/01/2012	10/31/2022	200 MOTOR PA YORK
212 HARAKAWA INC	College at Purchase	T072512	\$158,400.00	\$29,875.36	03/01/2013	02/28/2014	DESIGN SERVIC WAYFINDING & RFQ SU-072512
218 WATER STREET LLC	SUNY at Binghamton	L000003	\$792,968.15	\$791,001.13	04/01/1998	09/18/2013	218-224 WATE
240 MIDDLE COUNTRY ROAD LLC	SUNY at Stony Brook	L010726	\$3,227,481.91	\$1,997,968.94	07/01/2005	06/30/2019	240 MIDDLE CC
29 RESEARCH WAY LP	SUNY at Stony Brook	L010256	\$13,156,074.95	\$8,835,515.14	04/01/1995	09/30/2017	205 BELLE MEA
299 CLARKSON LLC	SUNY - Health Science Center at Brooklyn	L120013	\$3,733,646.17	\$3,671,312.61	09/01/2002	08/31/2013	224-240 CLARK
303 GRIFFING ASSOCIATES LLC	Empire State College	L910270	\$715,933.79	\$310,833.50	09/01/2008	08/31/2018	303 GRIFFING A
3229 EAST GENESEE ASSOCIATES	SUNY - Upstate Medical University	L700085	\$4,890,028.06	\$3,124,375.93	12/29/2006	12/28/2016	3229 E GENESE
347 ASSOCIATES LLC	SUNY at Stony Brook	L010608	\$8,458,941.40	\$6,180,880.03	07/25/2002	06/30/2017	6 TECHNOLOG
3M COMPANY	SUNY at Stony Brook	C010867	\$1,115,944.46	\$980,177.04	11/19/2008	11/18/2013	3M ENCODER S
3M COMPANY	SUNY - Upstate Medical University	C600705	\$325,216.94	\$325,216.22	01/16/2012	01/15/2014	SOFTWARE SU
3M COMPANY	SUNY - Upstate Medical University	T600694	\$138,115.00	\$51,250.00	09/01/2011	08/31/2016	MEDICAL NECE
3M COMPANY	SUNY - Upstate Medical University	C600666	\$927,915.63	\$533,018.30	11/18/2010	11/17/2015	SOFTWARE LIC
550 EAST GENESEE ST LLC	SUNY - Upstate Medical University	L700098	\$1,361,282.33	\$667,318.85	07/01/2007	06/30/2017	550 EAST GENE
840-842 LLC	SUNY - Health Science Center at Brooklyn	L120030	\$153,000.00	\$43,453.20	04/01/2013	12/06/2014	ASSIGNMENT & BROOKLYN NE
90 PRESIDENTIAL PLAZA	SUNY - Upstate Medical University	L700026	\$49,947,806.17	\$39,402,257.87	03/01/1997	02/28/2017	90 PRESIDENTI
A & F FIRE PROTECTION CO INC	SUNY at Stony Brook	T200014	\$177,034.51	\$77,571.30	03/13/2012	11/30/2012	MAJOR MODE



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Sort "Oldest to Newest" Date to eliminate the expired contracts.

	Vendor Name	Department/Facility	Contract Number	Current Contract Amount	Spending to Date	Contract Start Date	Contract End Date	Contract Description
9	CT CORPORATION	Department of State	X000056	\$144,000.00	\$0.00	10/18/2008	10/18/2012	CORPORATIONS DATA SUBSCRIPTIO
10	A W FARRELL & SON INC DWYER YOUNG & WRIGHT	Office of General Services - Design & Construction	DEB957T	\$100,000.00	\$22,443.00	6/20/2012	10/18/2012	INVESTIGATE & REPAIR DAMAGED LEAKING ROOFS BUILDINGS 6 21 41 8 ELMIRA CF
11	ARCHITECTURAL LLC	SUNY - Upstate Medical University	T550054	\$19,984.00	\$18,458.45	6/19/2011	10/19/2012	PROJECT 971 CGH FINISHES
12	ESMT CUSTOMIZED SOLUTIONS GMBH	State University of New York - Agency-wide	X002401	\$13,000.00	\$0.00	10/15/2012	10/19/2012	REVOCABLE PERMIT FOR USE OF SUNY GLOBAL CENTER FACILITIES
13	KATERINA MARCELJA	Office of General Services	X003340	\$810,000.00	\$0.00	10/20/2011	10/19/2012	836 PROSPECT PLACE
14	RSI ROOFING INC	College at Plattsburgh	T000473	\$435,711.00	\$407,910.65	6/20/2012	10/20/2012	ROOF REPLACEMENT-HAWKINS HAL
15	DELCON SYSTEMS INC	Office of General Services - Design & Construction	DEB964V	\$300,000.00	\$22,247.00	6/22/2012	10/20/2012	REMEDIATE LOSS OF ELECTRICAL EQUIPMENT DUE TO FIRE PERRY B DURYEA STATE OFFICE BUILDING
16	KENSTAR CONSTRUCTION CORP	Office of General Services - Design & Construction	DEB965C	\$300,000.00	\$76,225.00	6/22/2012	10/20/2012	RESTORE SMOKE AND FIRE DAMAGE PERRY DURYEA SOB
17	GARDINER FIRE DISTRICT	Department of State	F020189	\$97,871.00	\$97,871.00	10/22/2002	10/21/2012	2002 EMERGENCY SERVICES REVOLV
18	SOUTH DAYTON FIRE DISTRICT	Department of State	F020192	\$96,000.00	\$96,000.00	10/22/2002	10/21/2012	2002 EMERGENCY SERVICES REVOLV
19	RAM FOREST PRODUCTS INC	Department of Environmental Conservation	TX08402	\$0.00	\$0.00	8/22/2011	10/21/2012	TRP CAT RA #8
20	C P WARD INC	Office of General Services - Design & Construction	DEB908G	\$300,000.00	\$34,060.00	4/24/2012	10/21/2012	PROVIDE CORRECTIONS TO WATER SUPPLY SYSTEM AT DOT REGION 6 KONONA REST AREA
21	CNA ENTERPRISES INC	Office of General Services - Design & Construction	DEB967C	\$200,000.00	\$13,546.00	6/23/2012	10/21/2012	CLEAN UP SMOKE DAMAGE @ PERRY DURYEA STATE OFFICE BUILDING
22	WILKINS MECHANICAL INC	Office of General Services - Design & Construction	DEB966G	\$250,000.00	\$174,793.00	6/23/2012	10/21/2012	REPAIR BROKEN UNDERGROUND WA LINE CAYUGA CF
23	MADISON BOUCKVILLE MANAGEMENT INC	Department of Agriculture & Markets - State Fair	X001067	\$13,406.25	\$0.00	10/18/2012	10/21/2012	Space License Agreement

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 4 Contract Search Results

Sort by the "Contract Balance" to eliminate the fully spent contracts.

	Vendor Name	Department/Facility	Contract Number	Current Contract Amount	Spending to Date	Contract Balance	Contract Start Date	Contract End Date	
96	LACORTE COMPANIES INC	Office of General Services	CMS0691	\$0.00	\$0.00	\$0.00	1/7/1999	1/6/2014	PBX-PE
97	SHARED TECHNOLOGIES INC DEPT 145	Office of General Services	CMS0869	\$0.00	\$0.00	\$0.00	3/27/2000	1/6/2014	PBX PE
98	WESTELCOM NETWORK INC	Office of General Services	CMS0693	\$0.00	\$0.00	\$0.00	1/7/1999	1/6/2014	PBX PE
99	AMERICAN CHEMICAL SOCIETY	SUNY at Albany	T004593	\$83,315.00	\$83,315.00	\$0.00	2/1/2013	1/31/2014	SUBSCR SERVIC
100	RADIOMETER AMERICA INC	SUNY at Stony Brook	T100214	\$27,000.00	\$27,000.00	\$0.00	2/1/2011	1/31/2014	BLOOD
101	SIEMENS INDUSTRY INC	SUNY - Upstate Medical University	T502951	\$123,198.36	\$123,198.36	\$0.00	2/1/2011	1/31/2014	MAINT
102	ARNOT OGDEN MEDICAL CENTER PERKINELMER HEALTH SCIENCES INC	Department of Health	C028347	\$100,000.00	\$100,000.00	\$0.00	2/1/2012	1/31/2014	DOCTO PRACT
103	ORACLE AMERICA INC	Department of Motor Vehicles	TDMV114	\$49,263.88	\$49,263.88	\$0.00	2/1/2013	1/31/2014	ORACL
104	LAKE GEORGE LAND CONSERVANCY	Department of Environmental Conservation	W002656	\$1,502,700.00	\$1,502,700.00	\$0.00	1/25/2013	1/31/2014	LAND P FOREST WARR
105	PACKAGE PAVEMENT CO INC	Office of General Services - Purchasing (P) Contracts	PC66011	\$0.00	\$0.00	\$0.00	8/9/2013	1/31/2014	BITUM
106	HEALTHLINE SYSTEMS INC	SUNY at Stony Brook	T100141	\$201,665.00	\$201,665.00	\$0.00	2/19/2009	2/18/2014	ECHOA
107	CITY SCHOOL DISTRICT OF ALBANY	SUNY at Albany	W04589A	\$2,000,000.00	\$2,000,000.00	\$0.00	2/21/2013	2/20/2014	PHILIP 141 WE
108	ASSOCIATED PRODUCTION MUSIC LLC	SUNY at Albany	T003063	\$15,000.00	\$15,000.00	\$0.00	2/28/2011	2/27/2014	UNLIM
109	MORRISTOWN VILLAGE OF	Department of Environmental Conservation	T304009	\$50,000.00	\$50,000.00	\$0.00	3/1/2009	2/28/2014	PUBLIC
110	OPEN SPACE CONSERVANCY INC	Department of Environmental Conservation	W002661	\$857,800.00	\$857,800.00	\$0.00	2/4/2013	2/28/2014	LAND P WOOD Buildin
111									

State Agency	Contract Amount	Spending to Date	Count of Contracts
College at Buffalo	\$ 36,501,150	\$ 18,668,750	21
College at Fredonia	15,870,897	6,567,972	12
Community Dispute Resolution	492,882,873	300,715,329	145
Department of Agriculture & Markets	125,641,744	73,294,325	284
Department of Agriculture & Markets - State Fair	5,456,513	2,966,186	10
Department of Environmental Conservation	6,312,028,634	5,054,687,149	260
Department of Health	12,855,870,135	7,266,775,060	890
Department of Motor Vehicles	353,356,525	265,003,983	97
Department of State	269,054,099	187,057,911	270
Fiduciary Student Loan - Federal and State	7,822,500	3,901,497	3
General State Charges	65,031,000	49,916,789	1
Helen Hayes Hospital	125,683,379	82,260,177	30
Institute of Technology at Utica/Rome - Union	955,412	399,542	4
New York State Statutory College - Cornell University	52,830,835	22,085,122	12
Office of Court Administration	339,308,648	147,385,269	41
Office of General Services	1,955,889,575	1,466,202,545	118
Office of General Services - Design & Construction	793,630,447	320,140,195	465
Office of General Services - Purchasing (P) Contracts	11,738,892,743	2,011,226,366	729
Public Service Commission	9,830,623	5,794,086	10
Queens College	10,284,897	1,095,025	4
State University of New York - Agency-wide	308,532,609	135,958,298	55
State University of New York - System Administration	782,989,200	16,900,828	22
SUNY - Health Science Center at Brooklyn	2,009,753,692	601,373,712	122
SUNY - Upstate Medical University	966,001,769	380,047,241	271
SUNY at Albany	99,928,770	68,137,362	105
SUNY at Binghamton	155,701,232	83,397,800	42
SUNY at Buffalo	193,243,226	91,541,125	88
SUNY at Stony Brook	1,955,701,245	1,046,976,871	273
Unified Court System - Office of Court Administration	41,385	13,285	1
Veterans' Home at Montrose	1,181,000	83,156	2
Veterans' Home at Oxford	1,922,080	1,074,234	5
Veterans' Home at Saint Albans	3,568,805	2,227,547	2
Western New York Veterans' Home at Batavia	1,082,122	649,685	6
Grand Total	\$ 42,046,469,762	\$ 19,714,524,419	4,400

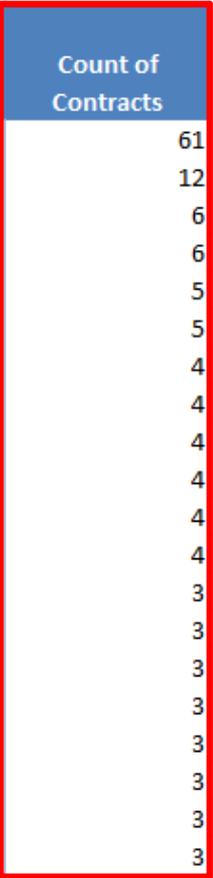
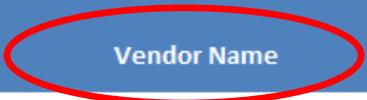


CONTRACT TYPES

Contract Type	Values		Count of Contracts
	Contract Amount	Spending to Date	
Commodity	\$ 2,562,715,053	\$ 516,236,111	351
Community Projects Fund (Member Initiative)	1,802,310.00	1,135,809.24	53
Construction	467,143,377.00	192,873,488.24	318
Consultant	5,355,299,664.67	2,177,181,425.74	447
Contracts Not Subject to OSC Pre-Audit	2,314,782,460.41	224,593,991.31	734
Equipment	6,446,154,732.47	1,017,158,872.16	306
Grant	3,867,072,091.62	2,469,997,363.29	1,335
Inter-government	5,096,269,268.30	4,724,204,203.73	65
Land Purchase	48,930,317.00	20,139,117.33	2
Lease	1,956,401,419.91	917,057,021.80	216
Printing	77,625,109.40	16,975,484.28	17
Repayment to State	79,500,056.00	28,548,199.00	2
Revenue Generating	1,210,000.00	521,435.02	2
Service	13,771,563,901.51	7,407,901,896.56	552
Grand Total	\$ 42,046,469,762	\$ 19,714,524,419	4,400



	A	B	C	D	E	F	G	H
1	Contract Type	Service						
2								
3	Values							
4	Vendor Name	Sum of Spending to Date	Sum of Current Contract Amount	Count of Contracts				
5	NEW YORK STATE IND FOR THE DISABLED	\$ 76,109,171	\$ 166,409,152	61				
6	SCHINDLER ELEVATOR CORP	4,937,826	10,136,801	12				
7	WORLDWIDE INSURANCE SERVICES LLC	36,764,729	40,578,410	6				
8	SIEMENS INDUSTRY INC	4,684,794	17,185,707	6				
9	OTIS ELEVATOR COMPANY	1,304,991	3,228,020	5				
10	JOHNSON CONTROLS INC	4,478,601	44,854,532	5				
11	SUMMIT SECURITY SERVICES INC	8,280,291	58,644,316	4				
12	POSTLER & JAECKLE CORP	623,577	6,500,000	4				
13	COUNCIL ON INTERNATIONAL EDUCATION	29,595,031	38,701,533	4				
14	GREEN THUMB ENVIRONMENTAL BEAUTIFICATION	2,031,300	8,820,000	4				
15	KONE INC	387,266	888,703	4				
16	KEYBANK NATIONAL ASSOCIATION	14,468,333	18,028,768	4				
17	COMMON APPLICATION INC	411,310	1,008,500	3				
18	CARRIER CORPORATION	3,287,293	7,208,321	3				
19	PARKLINE ASPHALT MAINTENANCE INC	3,777,630	15,318,575	3				
20	AMERICAN ASSOCIATION OF MOTOR VEHICLE	16,597,345	18,631,814	3				
21	RESEARCH FOUNDATION OF SUNY	668,943	4,883,461	3				
22	GUARDIAN SERVICE INDUSTRIES	7,443,726	12,434,513	3				
23	ATLANTIC TESTING LABORATORIES LIMITED	289,688	3,500,000	3				
24	WATERCRAFT IRRIGATION INC	523,069	1,493,141	3				
25	SECURITAS SECURITY SERVICES USA INC	18,517,157	30,531,558	2				
26	FACULTY-STUDENT ASSOCIATION OF SUC AT	3,806,675	7,235,000	2				
27	EASTERN PARAMEDICS	490,793	2,199,290	2				
28	FIRST TRANSIT	5,593,759	38,994,061	2				
29	RR DONNELLEY & SONS COMPANY	205,126	2,565,487	2				
30	JP MORGAN CHASE BANK NA	4,355,428	22,216,770	2				
31	US ENVIRONMENTAL PROTECTION AGENCY	2,690,484	4,523,379	2				
32	AIRGAS EAST INC	782,499	1,237,537	2				
33	GARDA CL ATLANTIC INC	407,049	578,949	2				
34	SIMPLEX GRINNELL LP	48,335,007	353,681,700	2				
35	FIBER TECHNOLOGIES NETWORKS LLC	1,063,878	1,395,941	2				
36	STERICYCLE INC	987,328	1,638,587	2				



	A	B	C	D	E	F	G	H	I
	Vendor Name	Department/Facility	Contract Number	Current Contract Amount	Spending to Date	Contract Balance	Contract Start Date	Contract End Date	Contract Description
111	FULTON COUNTY OF	Department of Environmental Conservation	C003468	25,000	16,075	8,925	6/15/1995	3/31/2020	REFUSE DISP. FOR DEC FULTON CO
241	GENEVA WORLDWIDE INC	SUNY - Upstate Medical University	C502820	42,958	2,134	40,823	6/1/2010	5/31/2015	INTERPRETER SERVICES/ S-915
251	TRI-STATE MOVING SERVICES	Office of General Services - Purchasing (P) Contracts	PS62386	44,693	38,734	5,959	11/1/2006	4/30/2014	MOVING SERVICES
285	MA-COM PRIVATE RADIO SYSTEMS INC	Office of Court Administration	CM00841	48,125	39,732	8,393	9/19/2005	9/19/2025	PURCHASE OF HAND HELD RADIOS
311	EVERBRIDGE INC	Office of General Services - Purchasing (P) Contracts	PS64719	50,000	11,500	38,500	9/24/2009	8/15/2017	COMPREHENSIVE TELECOMMUNICATIO
381	LJR SERVICES	Department of Motor Vehicles	C000679	55,095	49,196	5,899	2/1/2009	1/31/2014	JANITORIAL SERVICES @ PEEKSKIL
387	KONE INC	Office of General Services	CMU55AB	56,522	22,243	34,279	4/1/2009	3/31/2014	ELEVATOR MAINTENANCE AND REPAI
395	NELNET BUSINESS SOLUTIONS INC	College at Buffalo	CM00919	59,000	21,363	37,637	7/1/2012	6/30/2014	ELECTRONIC BILLING AND WEB PAY FOR STUDENT ACCOUNTS
451	YASSES TRUCKING & CONSTRUCTION LLC	Western New York Veterans' Home at Batavia	C000035	72,750	5,818	66,932	11/1/2012	10/31/2015	Snowplowing Services
503	OTIS ELEVATOR COMPANY	Office of General Services	CMU58AB	80,163	49,940	30,223	10/1/2009	9/30/2014	DULLES STATE OFFICE BUILDING E
563	NEW YORK STATE IND FOR THE DISABLED	Department of Motor Vehicles	C000713	88,766	45,858	42,908	1/12/2011	1/11/2016	JANITORIAL SERVICES @ PT JEFFE
564	NEW YORK STATE IND FOR THE DISABLED	Department of Motor Vehicles	C000729	88,776	38,458	50,318	6/1/2011	5/31/2016	JANITORIAL @ HUNTINGTON DISTRI
595	JACK W HUNT & ASSOCIATES INC	Department of Health	C026685	93,685	16,429	77,256	10/1/2010	9/30/2015	OFFICE OF PROFESSIONAL MEDICAL
596	JACK W HUNT & ASSOCIATES INC	Department of Health	C026680	93,685	23,310	70,375	10/1/2010	9/30/2015	OFFICE OF PROFESSIONAL MEDICAL
619	EXECUTIVE CLEANING SERVICE CORP	Department of Motor Vehicles	C000706	98,227	47,476	50,750	3/31/2011	3/30/2016	JANITORIAL @ W. HAVERSTRAW DO
627	DIRAD TECHNOLOGIES	Office of General Services - Purchasing (P) Contracts	PS64718	100,000	64,281	35,719	9/24/2009	8/15/2017	COMPREHENSIVE TELECOMMUNICATIO
628	FFF ENTERPRISES	Office of General Services - Purchasing (P) Contracts	PC65810	100,000	82,711	17,289	6/12/2012	5/1/2014	INFLUENZA VACCINES
629	AMERICAN MESSAGING	Office of General Services - Purchasing (P) Contracts	PS64716	100,000	87,527	12,473	9/24/2009	8/15/2017	COMPREHENSIVE TELECOMMUNICATIO
707	REUTER HANNEY INC	Helen Hayes Hospital	C000507	107,750	47,900	59,850	10/1/2011	9/30/2016	ELECTRICAL SWITCHGEAR TESTING
713	AIRGAS EAST INC	Western New York Veterans' Home at Batavia	C000031	109,200	42,157	67,043	8/20/2010	8/19/2015	TO PROVIDE OXYGEN AND RELATED
714	UBIQUUS REPORTING INC	Public Service Commission	C111202A	110,000	5,200	104,800	12/1/2012	11/30/2015	Hearing Reporter Services

	A	B	C	D	E	F	G	H	I	J
1	Contract Type	Service								
2										
3		Values								
4	Contract Description	Sum of Spending to Date	Sum of Current Contract Amount	Count of Contracts						
5	SECURITY SYSTEMS & SOLUTIONS	\$ 111,644,764	\$ 618,905,000	56						
6	COMPREHENSIVE TELECOMMUNICATIO	7,140,152	10,700,000	14						
7	MOVING SERVICES	5,403,377	6,082,557	12						
8	ELEVATOR MAINTENANCE AND REPAI	3,276,698	6,441,756	9						
9	CHILD HEALTH PLUS INSURANCE PR	1,130,662,969	2,243,244,000	8						
10	CHILD HEALTH PLUS INSURANCE P	1,543,384,141	3,070,453,000	7						
11	BUILDING MECHANICAL (HVAC) POW	751,427	12,500,000	6						
12	SECURITY GUARD SERVICES	26,734,178	91,464,295	5						
13	OFFICE OF PROFESSIONAL MEDICAL	295,329	1,342,150	4						
14	ELEVATOR MAINTENANCE	1,294,887	3,064,715	4						
15	INTERPRETER SERVICES/ IFB S-91	4,777,958	11,875,664	4						
16	LAUNDRY SERVICES	3,156,633	9,445,121	3						
17	TELP LOAN REPAYMENT	22,193,524	51,041,518	3						
18	DEBT COLLECTION SERVICE	3,901,497	7,822,500	3						
19	BANKING SERVICES	4,262,480	7,070,000	3						
20	INTERNATIONAL STUDENT HEALTH I	25,393,800	27,909,625	3						
21	CUSTODIAL SERVICE	18,635,323	22,900,158	3						
22	CUSTODIAL SERVICES	10,069,803	18,123,429	3						
23	SECURITY SYSTEMS AND SOLUTIONS	1,654,733	18,900,000	3						
24	ASBESTOS ABATEMENT REMOVAL SER	232,428	14,751,000	2						
25	CHILD HEALTH PLUS PROGRAM	573,211,554	1,031,719,000	2						
26	Janitorial Services	419,094	5,433,595	2						
27	SECURITY SYSTEM & SOLUTIONS	1,370,948	5,500,000	2						
28	Hearing Reporter Services	18,895	302,000	2						
29	COLLECTION SERVICES	943,046	7,429,562	2						
30	WAREHOUSING SERVICES - REGION-	503,140	2,075,072	2						
31	TO ESTABLISH A CONTRACT FOR PE	1,391,701	2,723,623	2						
32	BUILDING MANAGEMENT SERVICES A	9,409,271	10,540,370	2						
33	Hazardous Materials Sampling, Testing and Monitoring / Downstate Region	78,499	3,000,000	2						
34	Hazardous Materials Sampling, Testing and Monitoring / Upstate Region	22,120	3,000,000	2						
35	DEBT COLLECTION SERVICES	380,036	11,669,834	2						

	A	B	C	D	E	F	G	H	I	J
1	Contract Type	Service								
2										
3			Values							
4	Contract Description	Sum of Spending to Date	Sum of Current Contract Amount	Count of Contracts						
5	CHILD HEALTH PLUS INSURANCE P	\$ 1,543,384,141	\$ 3,878,453,000	7						
6	CHILD HEALTH PLUS INSURANCE PR	1,130,662,969	2,243,244,000	8						
7	CHILD HEALTH PLUS/CHILD HEALTH	743,322,764	1,410,824,000	1						
8	ELECTRIC SERVICE FOR STATE AGE	1,164,396,104	1,328,943,000	1						
9	CHILD HEALTH PLUS PROGRAM	573,211,554	1,031,719,000	1						
10	INSTALLATION, OPERATION, MAINT	615,364,811	1,000,600,000	1						
11	SECURITY SYSTEMS & SOLUTIONS	111,644,764	618,905,000	56						
12	BANK CARD SERVICES	362,562,961	390,000,000	1						
13	OPERATE THE ENROLLMENT CENTER	78,956,561	169,767,417	1						
14	VOTING SYSTEMS	95,762,376	164,500,000	1						
15	ELECTRONIC VALUE TRANSFER SERV	7,475,916	110,000,000	1						
16	CAMPUS ON-SITE FOOD SERVICE	62,169,492	109,647,201	1						
17	AFFILIATION AGREEMENT	71,030,046	105,236,085	1						
18	MEDICAID TRANSPORTATION MGMT I	25,794,489	98,400,000	1						
19	SECURITY GUARD SERVICES	26,734,178	91,464,295	5						
20	FLEET MANAGEMENT SERVICES	40,935,188	90,382,350	1						
21	Fuel Card Services	10,357,049	75,000,000	1						
22	AUXILIARY SERVICES	20,042,568	75,000,000	1						
23	SUNY LONG-TERM DISABILITY INS.	49,916,789	65,031,000	1						
24	HOUSING PAYMENT SERVICES FOR T	19,063,153	51,469,681	1						
25	FOOD AND NUTRITIONAL SERVICES	42,715,938	51,050,374	1						
26	TELP LOAN REPAYMENT	22,193,524	51,041,518	3						
27	OHIP/NYS MEDICAID TRANSPORTATI	17,417,473	49,637,834	1						
28	MEDICAID/IMPLEMENTATION ASSIST	6,061,930	45,528,151	1						
29	MASTER FINANCING AGREEMENT	20,663,392	41,333,348	1						
30	CAMPUS TRANSIT SERVICES	5,128,031	38,004,809	1						
31	COMPREHENSIVE ENERGY AUDIT	13,136,432	37,247,537	1						
32	FOOD SERVICES	21,413,106	37,211,745	1						
33	Assist implementation of the HEAL-NY program	7,266,000	28,550,000	1						
34	INTERNATIONAL STUDENT HEALTH I	25,393,800	27,909,625	3						
35	ELECTRONIC VALUE TRANSFER	5,876,680	24,750,000	1						
36	SERVICES FOR THE NYS SMOKER'S	13,813,888	23,446,537	1						

Sum of Current Contract Amount
 Value: 1,410,824,000
 Row: CHILD HEALTH PLUS/CHILD HEALTH
 Column: Sum of Current Contract Amount

	A	C	D	E	F	G	H	I	J	K	L	M
1	Vendor Name	Contract Description	Current Contract Amount	Spending to Date	Contract Start Date	Contract End Date	# Of Contract Days	# Of Contract Days from	% of Life	% of Exp	%Exp - %Life	Co T
111	TECHNICAL BUILDING SERVICES	SECURITY SYSTEMS & SOLUTIONS	500,000	379,779	12/9/2011	8/26/2020	3,183	689	22	70	54.31	Ser
241	TYCO INTEGRATED SECURITY LLC	SECURITY SYSTEMS & SOLUTIONS	50,000,000	29,559,065	8/27/2012	8/26/2020	2,921	427	15	59	44.50	Ser
251	MA-COM PRIVATE RADIO SYSTEMS INC	PURCHASE OF HAND HELD RADIOS	48,125	39,732	9/19/2005	9/19/2025	7,305	2,961	41	83	42.03	Ser
285	AMERICAN MESSAGING	COMPREHENSIVE TELECOMMUNICATIO	100,000	87,527	9/24/2009	8/15/2017	2,882	1,495	52	88	35.65	Ser
311	VIDEO HI-TECH CORP	SECURITY SYSTEMS & SOLUTIONS	500,000	296,991	8/22/2011	8/26/2020	3,292	798	24	59	35.16	Ser
381	FES INSTALLATIONS INC	SECURITY SYSTEMS & SOLUTIONS	500,000	310,317	3/23/2011	8/26/2020	3,444	950	28	62	34.48	Ser
387	COMFORT SYSTEMS USA SYRACUSE INC	SECURITY SYSTEMS & SOLUTIONS	500,000	274,232	12/8/2011	8/26/2020	3,184	690	22	55	33.18	Ser
395	HERTZ EQUIPMENT RENTAL CORP	EQUIPMENT RENTAL	469,675	436,644	11/1/2010	10/31/2015	1,825	1,092	60	93	33.13	Ser
451	GRAYBAR ELECTRIC COMPANY INC	SECURITY SYSTEMS & SOLUTIONS	1,000,000	942,934	9/19/2007	8/26/2017	3,629	2,231	61	94	32.82	Ser
503	GE GOVERNMENT FINANCE INC	MASTER LEASE AGREEMENT FOR	15,439,983	13,697,144	7/29/2005	8/1/2019	5,116	3,013	59	89	29.82	Ser
563	WATERCRAFT IRRIGATION INC	IRRIGATION REPAIR, MAINTENANCE	314,025	306,549	6/1/2010	5/31/2015	1,825	1,245	68	98	29.40	Ser
564	SPRINT SOLUTIONS INC	COMPREHENSIVE TELECOMMUNICATIO	5,000,000	4,349,509	5/9/2008	8/15/2017	3,385	1,998	59	81	27.97	Ser
595	STERLING GLASS OF NEW YORK INC	REPAIR/REPLACE UNIVERSITY GLAS	1,105,038	1,021,691	7/1/2010	6/30/2015	1,825	1,215	67	92	25.88	Ser
596	SIEMENS HEALTHCARE DIAGNOSTICS	HEMATOLOGY ANALYZER, MAINTENA	215,296	94,315	12/1/2012	11/30/2017	1,825	331	18	44	25.67	Ser
619	QWEST	COMPREHENSIVE TELECOMMUNICATIO	2,000,000	1,698,713	8/16/2007	8/15/2017	3,652	2,265	62	85	22.91	Ser
627	BORDEN-PERLMAN INSURANCE AGENCY INC	INSURANCE FOR INTERCOLLEGIATE	1,095,720	714,439	8/1/2011	7/31/2016	1,826	819	45	65	20.35	Ser
628	LIFE SAFETY ENGINEERED SYSTEM	SECURITY SYSTEMS & SOLUTIONS	725,000	442,918	2/4/2009	8/26/2020	4,221	1,727	41	61	20.18	Ser
629	AMERICAN ASSOCIATION OF MOTOR VEHICLE	TO CREATE A NATIONWIDE TELECOM	16,717,664	15,648,522	10/1/1989	12/31/2020	11,414	8,793	77	94	16.57	Ser
707	OPEN SYSTEMS INTEGRATORS INC	SECURITY SYSTEMS & SOLUTIONS	1,900,000	851,440	2/8/2011	8/26/2020	3,487	993	28	45	16.34	Ser
713	COUNCIL ON INTERNATIONAL EDUCATION	ADMINISTRATIVE FINANCIAL SERVI	170,000	166,167	3/1/2006	6/30/2015	3,408	2,798	82	98	15.64	Ser
	FACULTY STUDENT ASSOCIATION SUNY	AUXILIARY SERVICES TO CARRY OUT										

IDENTIFY RISKY CONTRACTS

- ❑ Sort contracts by:
 - ❑ Contract Types
 - ❑ Contract Amount
 - ❑ Vendor Name & Contract Count
 - ❑ Vendor Name & Spending to Date



IDENTIFY RISKY CONTRACTS (CONT.)

- ❑ Sort contracts by:
 - ❑ Contract Start Date
 - ❑ Contract Description & Contract Count
 - ❑ Contract Description & Contract Amount
 - ❑ % Expended - % Life of the contract



ANALYSIS

- ❑ Risk basis
- ❑ Other factors
 - ❑ Quality of products and services
 - ❑ Problems with vendors
 - ❑ Current events
 - ❑ Locations
 - ❑ Etc.



MONITORING

- ❑ You've selected a contract
- ❑ Now what?



MONITORING

- MONITOR!

(Yeah, but what is that, really?!)



MONITORING

- ❑ Ongoing activities, special evaluations or a combination of both used to ensure that controls are operating as intended.



CONTROLS PURPOSE

- C** _____
- A** _____
- R** _____
- E** _____
- S** _____

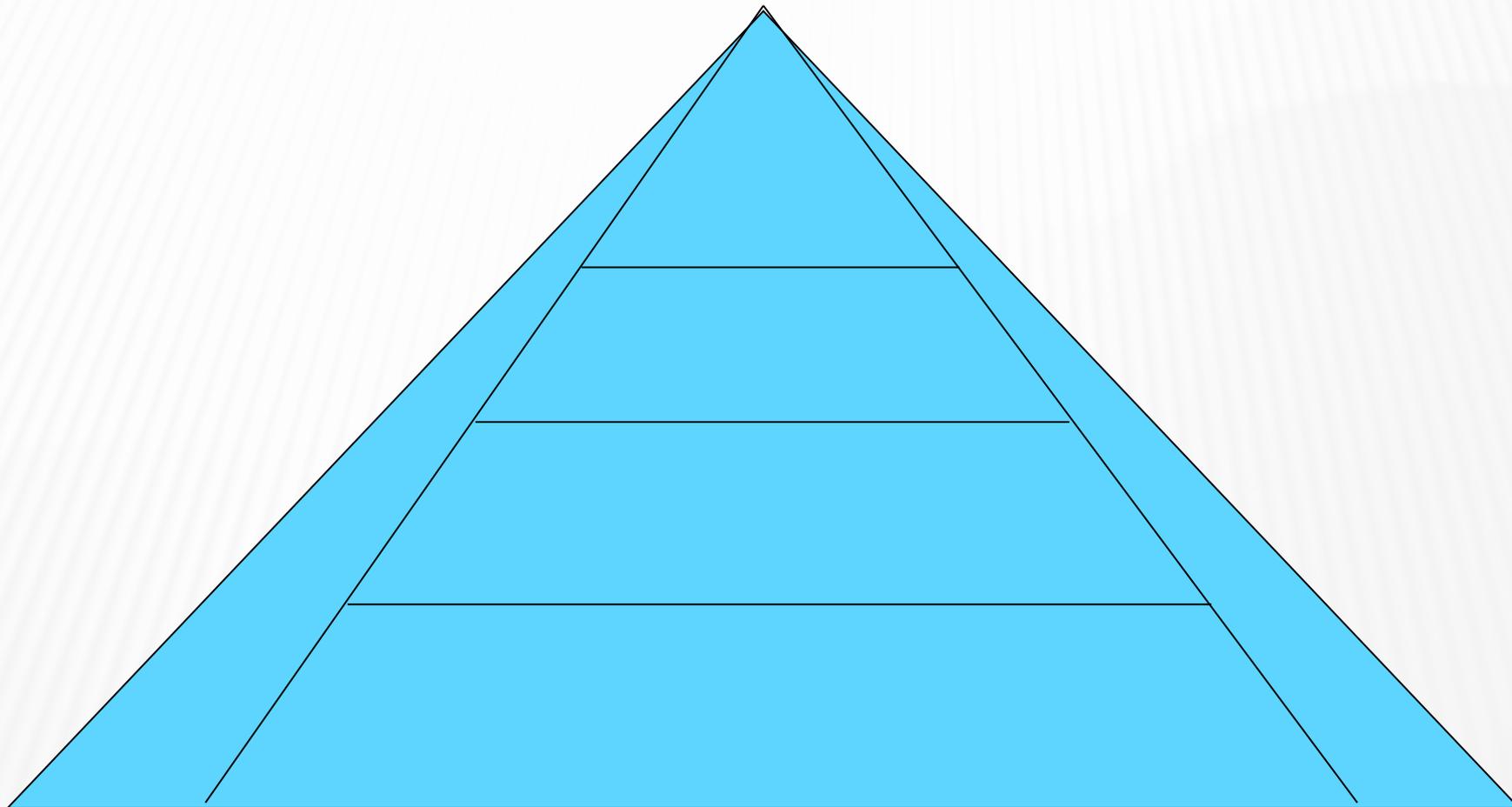


CONTROLS PURPOSE

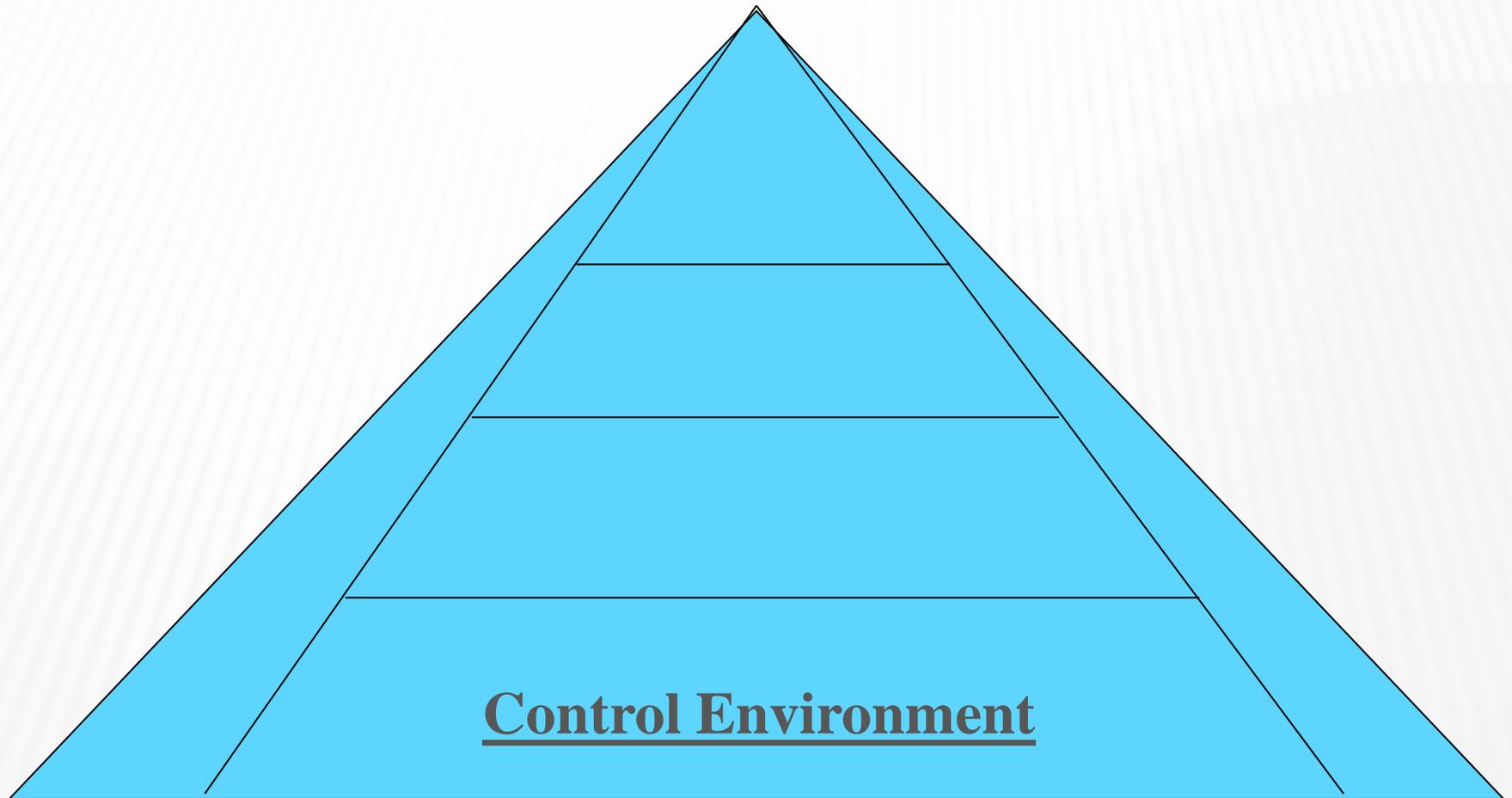
- ❑ **C**ompliance with laws, rules, and regs
- ❑ **A**ccomplish goals and objectives
- ❑ **R**elevant and reliable data
- ❑ **E**fficient and effective operations
- ❑ **S**afeguarding assets



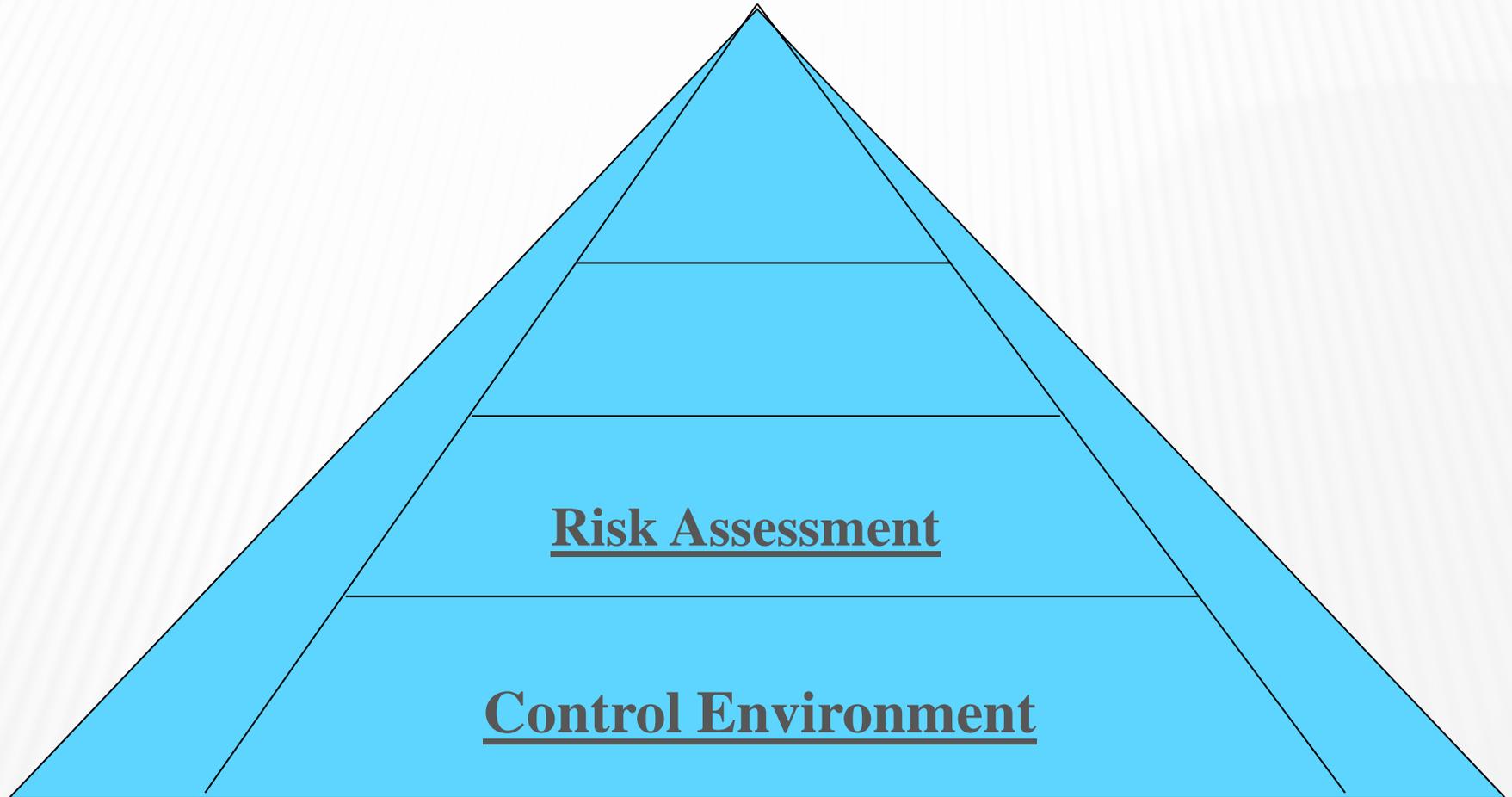
INTERNAL CONTROLS PYRAMID



INTERNAL CONTROLS PYRAMID



INTERNAL CONTROLS PYRAMID



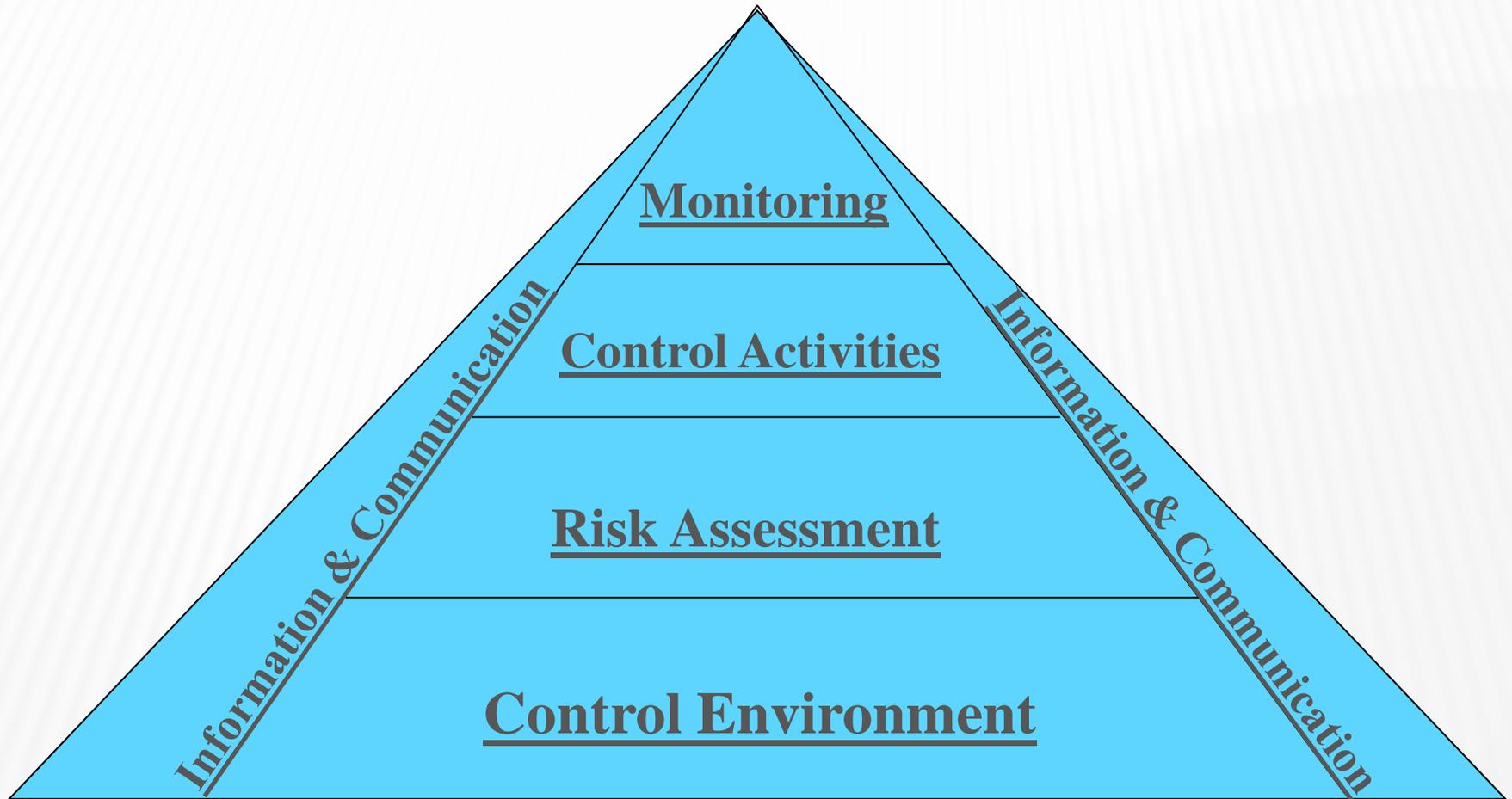
INTERNAL CONTROLS PYRAMID



INTERNAL CONTROLS PYRAMID



INTERNAL CONTROLS PYRAMID



MONITORING

- ❑ Ongoing activities, special evaluations or a combination of both used to ensure that controls are operating as intended.



MONITORING

- ❑ Ongoing activities, special evaluations or a combination of both used to ensure that contractors are operating as intended.



OPERATING AS INTENDED

- ❑ How do agency employees and contractors know what's intended?



STEP 2. UNDERSTAND CONTRACT TERMS AND OTHER REQUIREMENTS

- ❑ Intuition
- ❑ Conversation
- ❑ Purchase order details
- ❑ Contract specifications
- ❑ Laws, rules & regulations
- ❑ Guidelines



REQUIREMENTS

- ❑ Understand
- ❑ Assess quality



REQUIREMENTS

- ❑ Ask this:
 - ❑ How can I verify whether something has occurred, based on how the contract specification is written?



SPECIFICATIONS

- ❑ **S**pecific
- ❑ **M**easurable
- ❑ **A**chievable
- ❑ **R**elevant
- ❑ **T**ime-Bound

SMART



SPECIFIC

- ❑ Clear, Detailed, Easily understood
- ❑ Deliverables
 - ❑ Description
 - ❑ Benchmarks
- ❑ Location



MEASURABLE

- ❑ Performance measures
 - ❑ Quantities
 - ❑ Timing
 - ❑ Expertise
 - ❑ Licenses
 - ❑ Degrees
 - ❑ Certifications



ACHIEVABLE

- ❑ Payment provisions
 - ❑ Payment triggers
 - ❑ Invoice formats
 - ❑ Description of deliverables
 - ❑ Services
 - ❑ Names of workers
 - ❑ Hours for each worker
 - ❑ Client names (SSN and/or address)
 - ❑ Dates of service



RELEVANT

- ❑ Requirements
 - ❑ Is the vendor able to meet specific terms set forth?

- ❑ Reasonableness
 - ❑ Producing Records
 - ❑ Reports
 - ❑ Electronic/Paper



TIME BOUND

- ❑ Set forth time frames
- ❑ Right to audit
 - ❑ Specify monitoring in contract language
 - ❑ Consequences for non-compliance



SPECIFICATION EXAMPLE

- ❑ The Case Manager will schedule periodic meetings with community service providers to raise awareness of the program.



SPECIFICATION EXAMPLE

- ❑ The Case Manager will schedule periodic meetings with community service providers to raise awareness of the program.



SPECIFICATION EXAMPLE

- ❑ The Case Manager will schedule periodic meetings with community service providers to raise awareness of the program.
- ❑ Improved Specification



SPECIFICATION EXAMPLE

- ❑ The vendor shall submit a properly executed application for payment, together with appropriate backup supporting the amount billed.



SPECIFICATION EXAMPLE

- ❑ The vendor shall submit a properly executed application for payment, together with appropriate backup supporting the amount billed.



SPECIFICATION EXAMPLE

- ❑ The vendor shall submit a properly executed application for payment, together with appropriate backup supporting the amount billed.
- ❑ Improved Specification



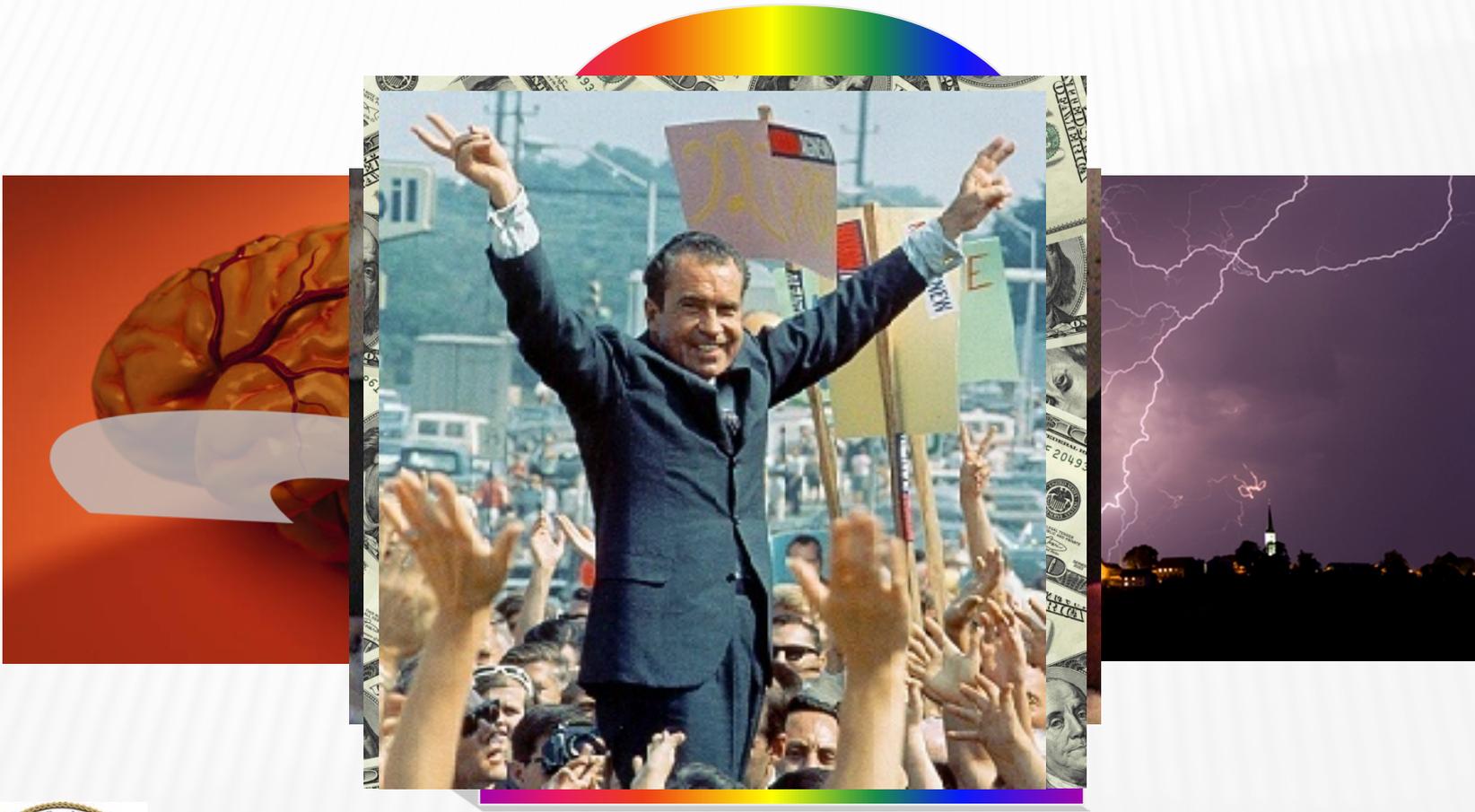
Specification	What can go wrong?	How agency can monitor
<p>Pages 27 to 54 of the contract include specific preventive maintenance activities for each type of equipment (hydraulic elevators, traction elevators, escalators, dumbwaiters) and the frequency for each activity (e.g., weekly, bimonthly, quarterly, semi-annually, annually).</p>		
<p>Page 24 of the contract lists (1) the elevators, escalators and dumbwaiters covered by the contract; (2) monthly and annual prices; (3) labor titles and rates; (4) estimated hours; and (5) mark-up on materials.</p>		

STEP 3. IDENTIFY RISKS: WHAT CAN GO WRONG?

- ❑ **Programmatic**
 - ❑ What can prevent the goal accomplishment?
- ❑ **Fiscal**
 - ❑ How can the contractor get money they didn't earn?



STEP 3: WHAT CAN GO WRONG?



WHAT IS FRAUD?

- ✍ Misstatement
 - Mistake vs. Fraud
- ✍ Knowledge of falsehood/intent
- ✍ Reliance by victim
- ✍ Damage



WHAT IS FRAUD?

Fraud is any intentional act or omission designed to deceive others, resulting in the victim suffering a loss and/or the perpetrator achieving a gain.



Source: Institute of Internal Auditors

WHAT IS OCCUPATIONAL FRAUD?

The use of one's occupation for personal enrichment through the deliberate misuse or misapplication of the employing organization's resources or assets.



Source: 2012 Report to the Nation on Occupational Fraud & Abuse

HOW LONG DOES FRAUD GO UNDETECTED?

A one-year study conducted by the Association of Certified Fraud Examiners (ACFE) consisting of 1,483 cases world-wide of occupational fraud found the typical fraud continued for **18 months** before being detected.



Source: 2014 Report to the Nations on Occupational Fraud & Abuse

HOW LONG DOES FRAUD GO UNDETECTED?

Position	Median Months to Detect
Employee	12
Manager	18
Owner/Executive	24
Other	16

Source: 2014 Report to the Nation on Occupational Fraud & Abuse

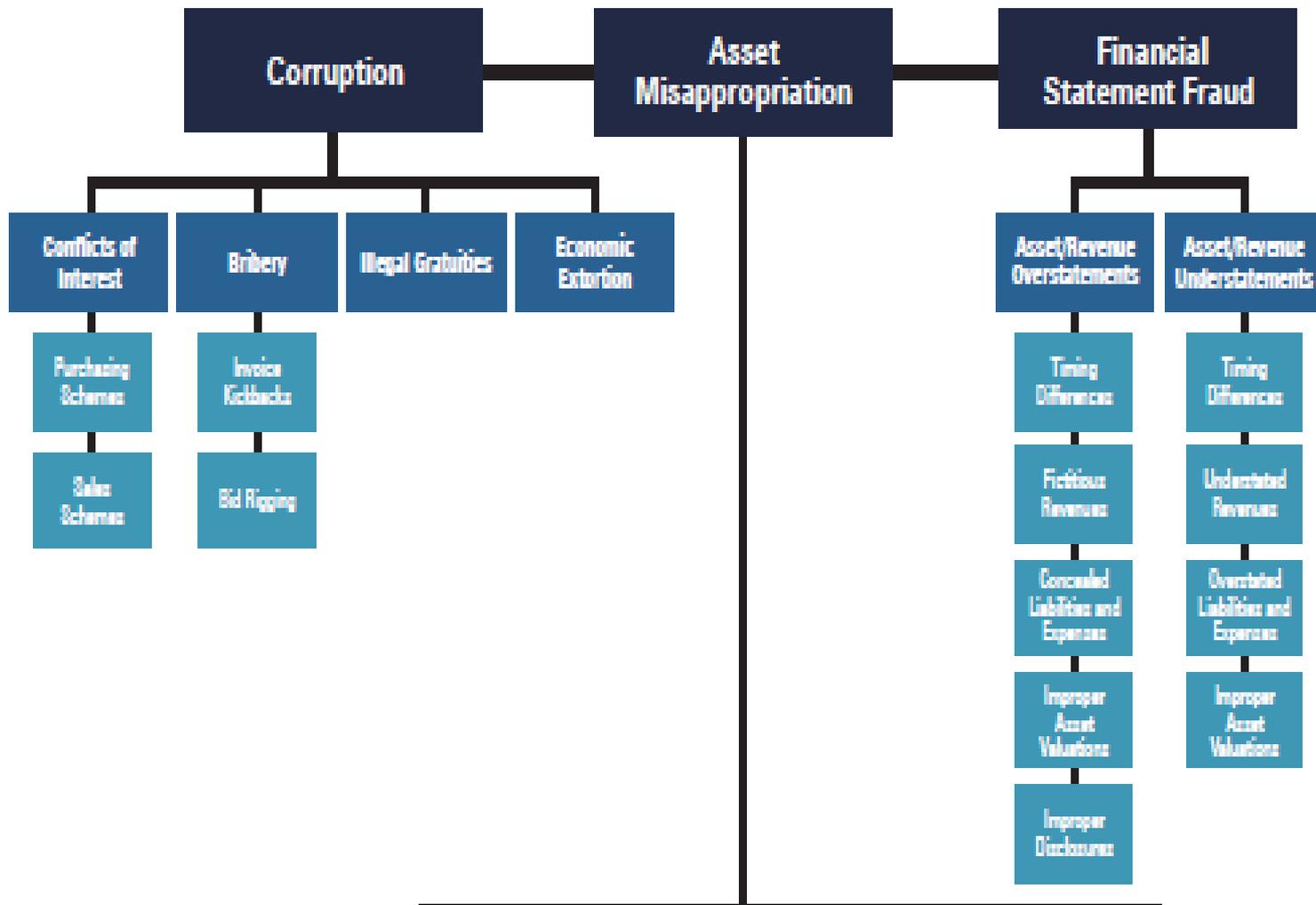


HOW MUCH IS LOST?

- ☞ 5% of annual revenues
- ☞ Median loss of \$145,000
 - ☞ \$154,000 for small businesses
 - ☞ \$108,000 for not for profit
 - ☞ \$90,000 for government
- ☞ 22% had losses of at least \$1 million

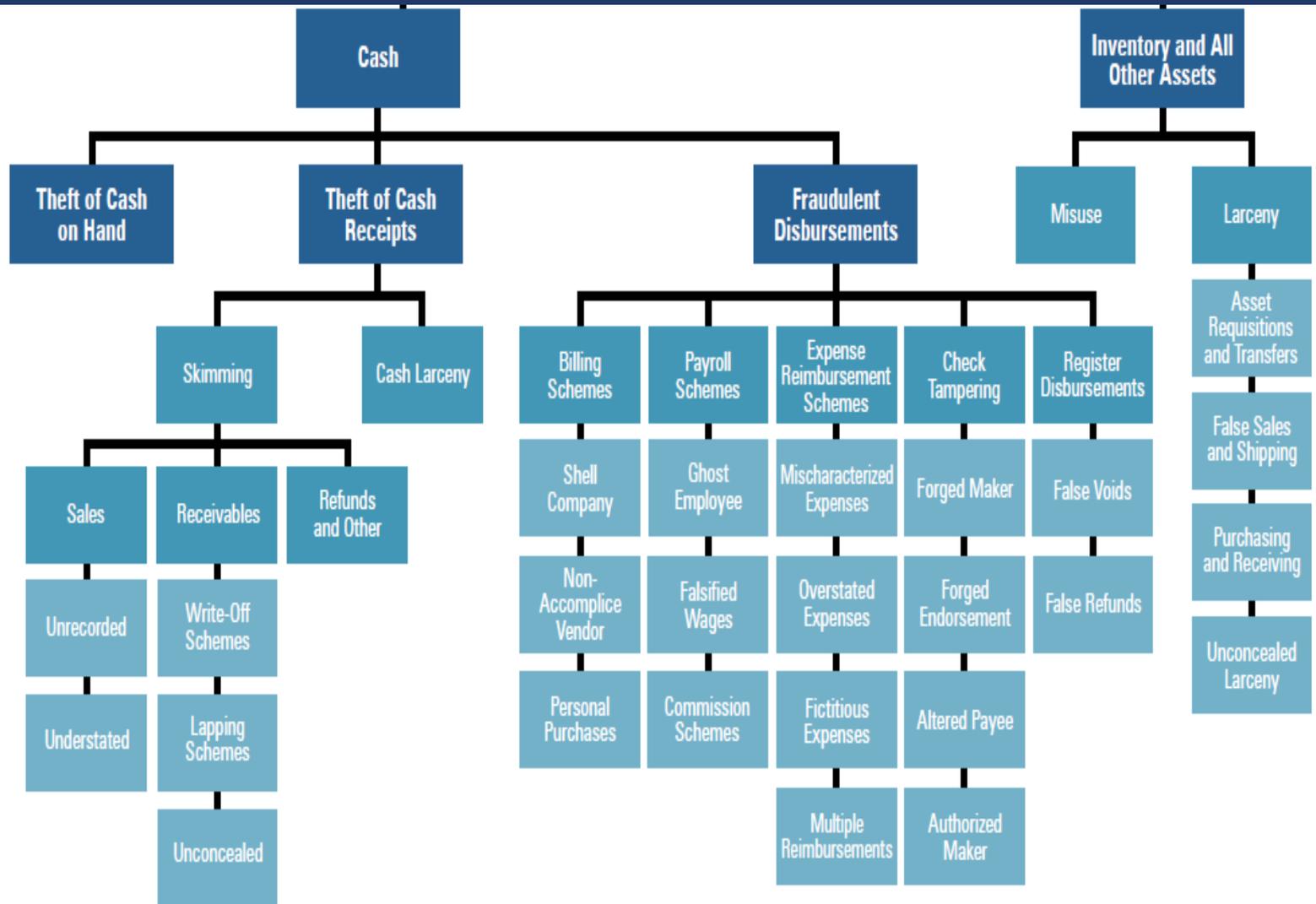


Source: 2014 Report to the Nation on Occupational Fraud & Abuse



Source: 2014 Report to the Nation on Occupational Fraud & Abuse





Source: 2014 Report to the Nation on Occupational Fraud & Abuse

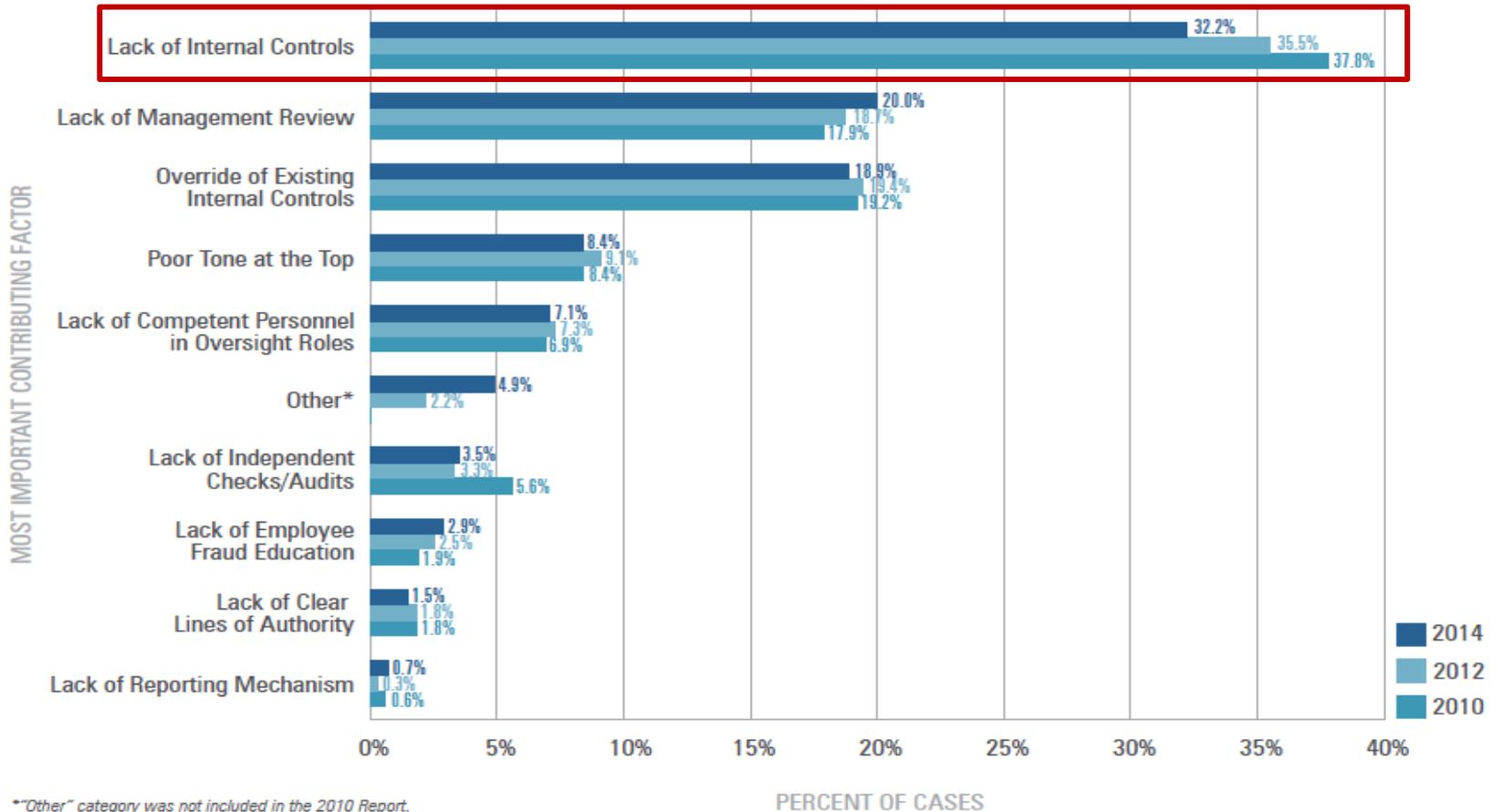
WHERE DOES IT HAPPEN?

More than 75% of the frauds in the study were committed by individuals in 1 of 7 departments, including:

- ✎ Purchasing – corruption, billing schemes
- ✎ Accounting – check tampering, billing
- ✎ Executive/upper management – corruption, billing, expense reimbursement



HOW DOES IT HAPPEN?

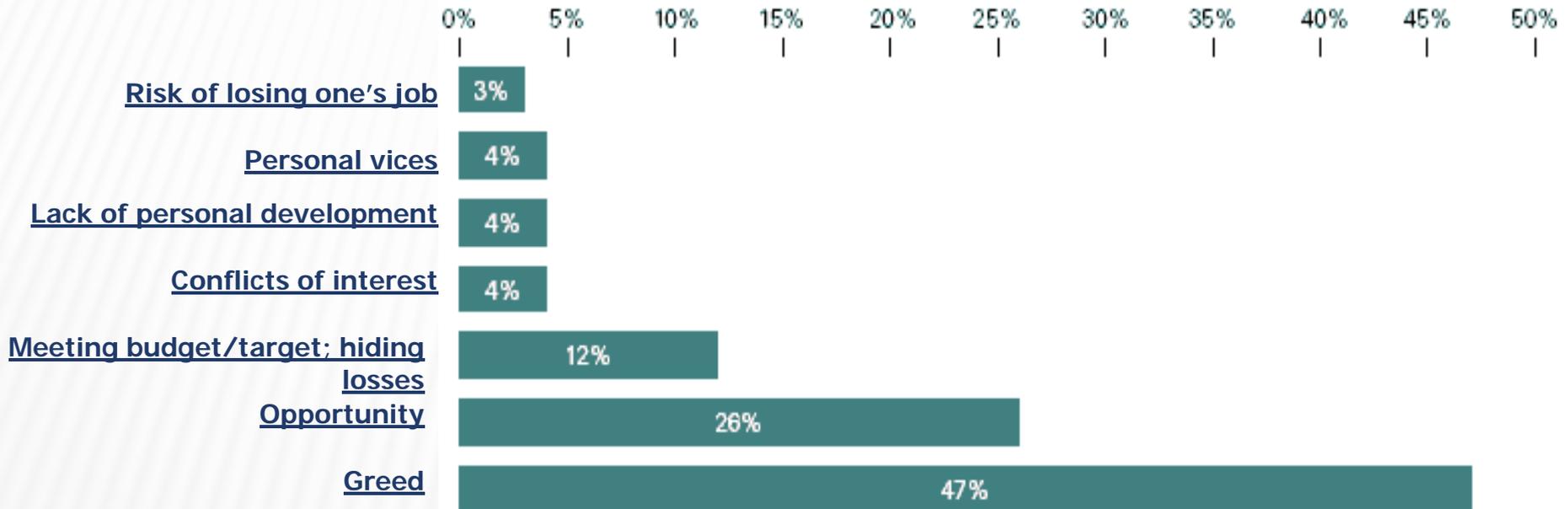


Source: 2014 Report to the Nations on Occupational Fraud & Abuse



FRAUDSTER'S MOTIVATION

Fraudster's overriding motivation

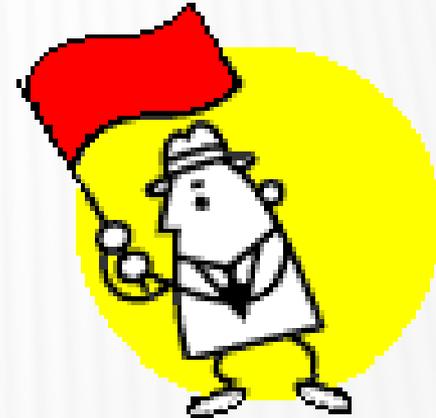


Source: [KPMG Profile of a Fraudster Survey 2007](#)

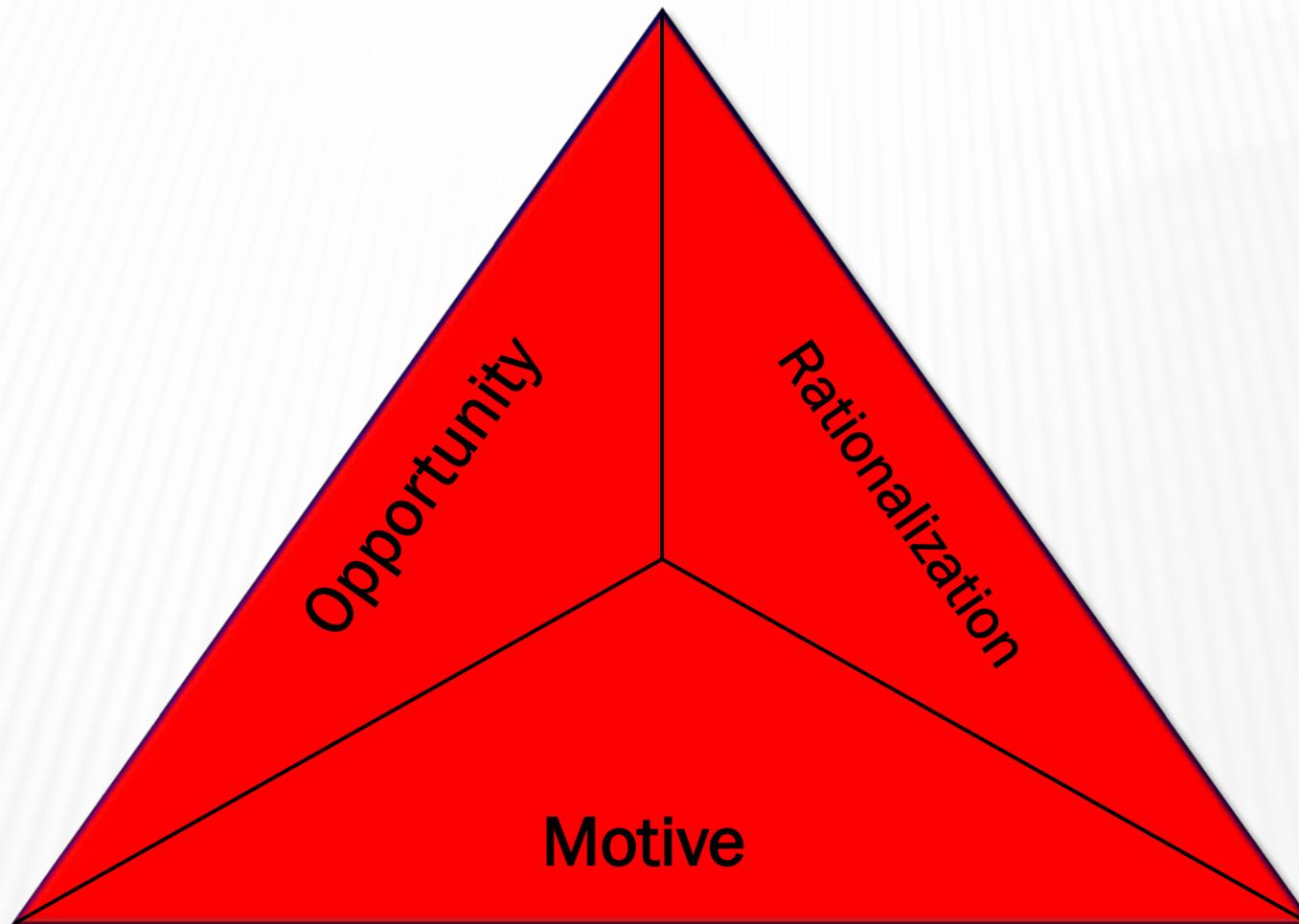
RED FLAGS

R A warning or sense that something isn't right

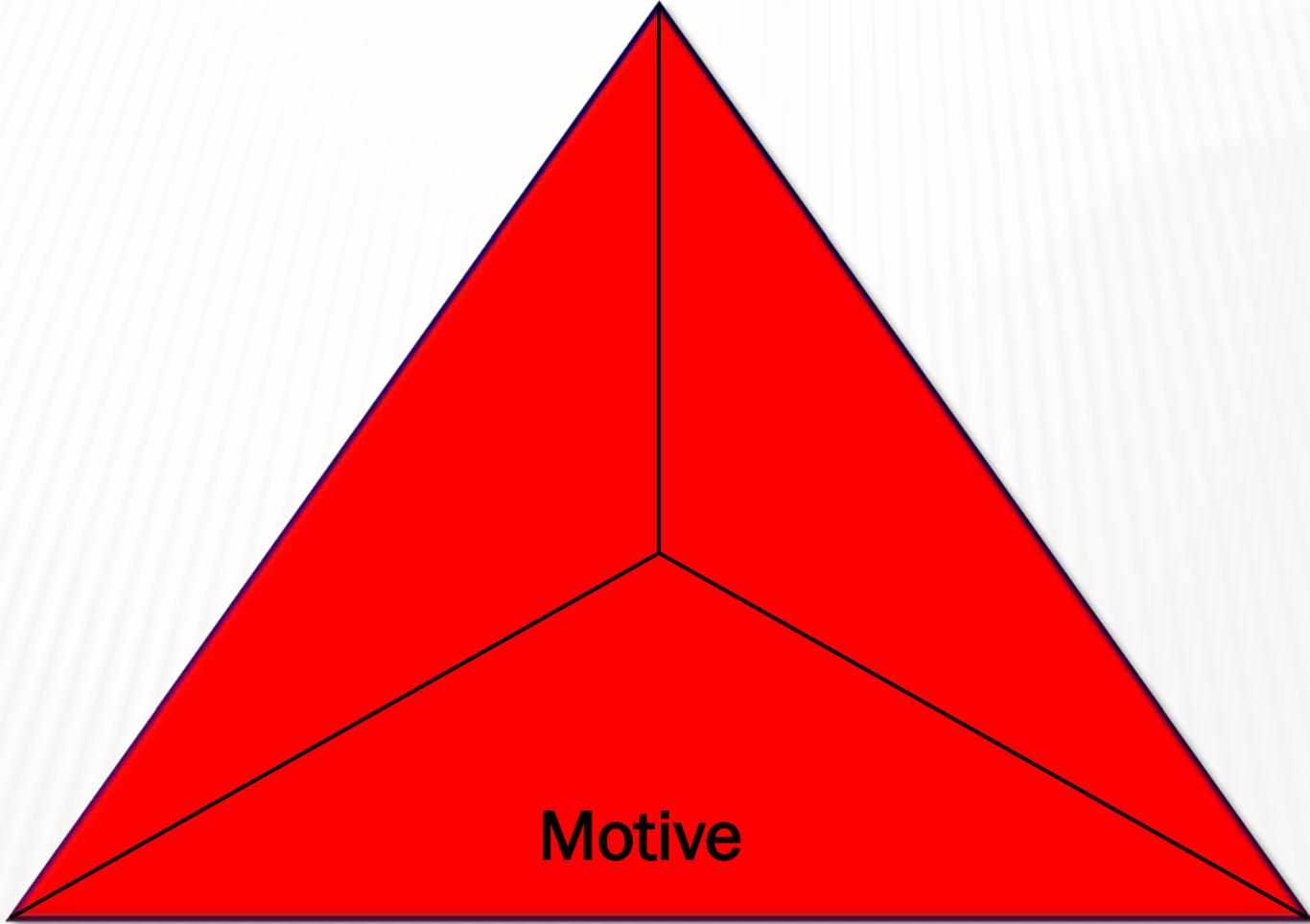
R Should lead you to take a closer look at the transaction



HOW DOES FRAUD HAPPEN?



MOTIVE



Motive

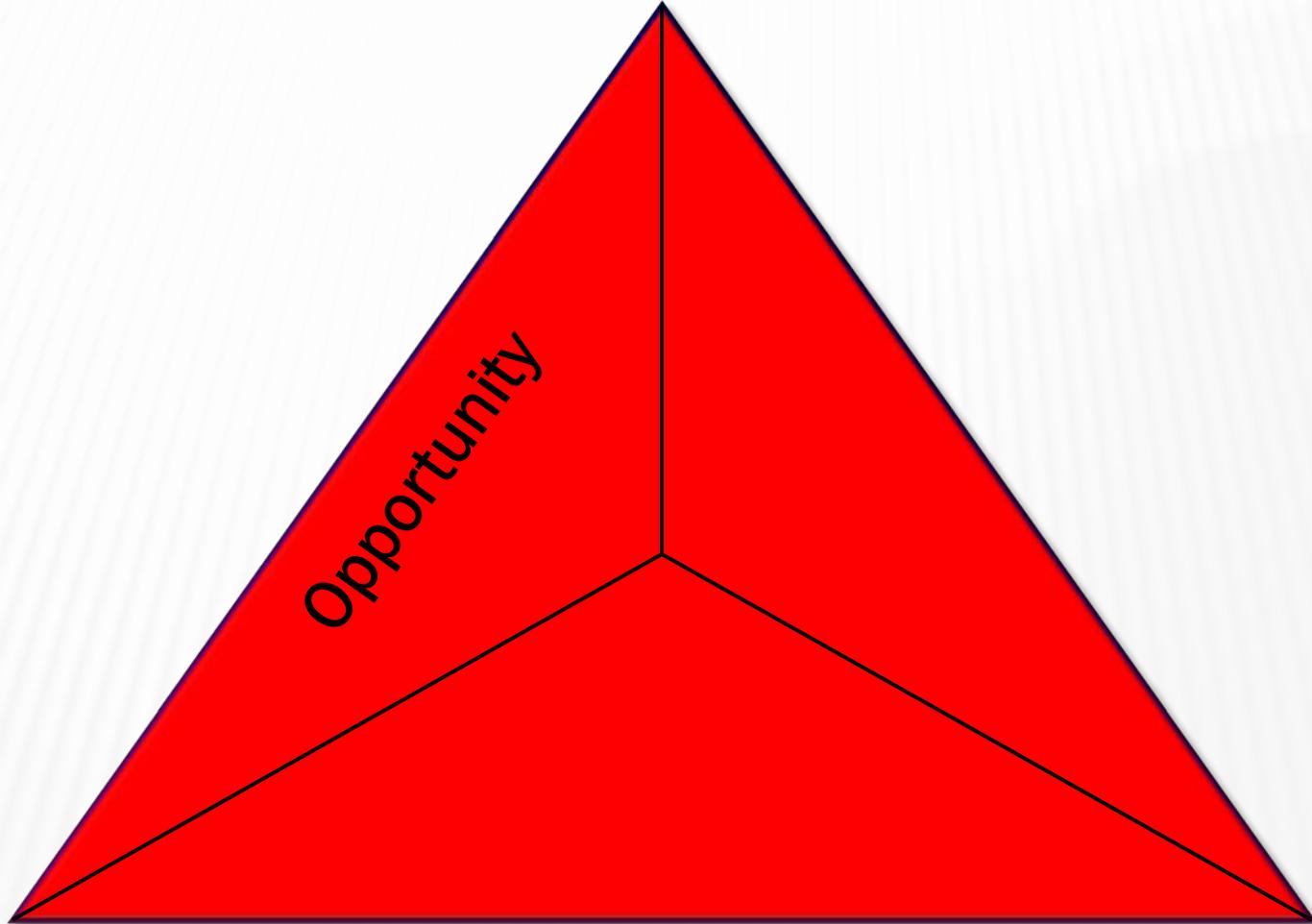


MOTIVE FLAGS

- ✎ High debt
- ✎ Significant financial losses
- ✎ Excessive alcohol, drugs or gambling
- ✎ Extramarital affair
- ✎ Perceived organizational inequities
- ✎ Job frustration or resentment



OPPORTUNITY

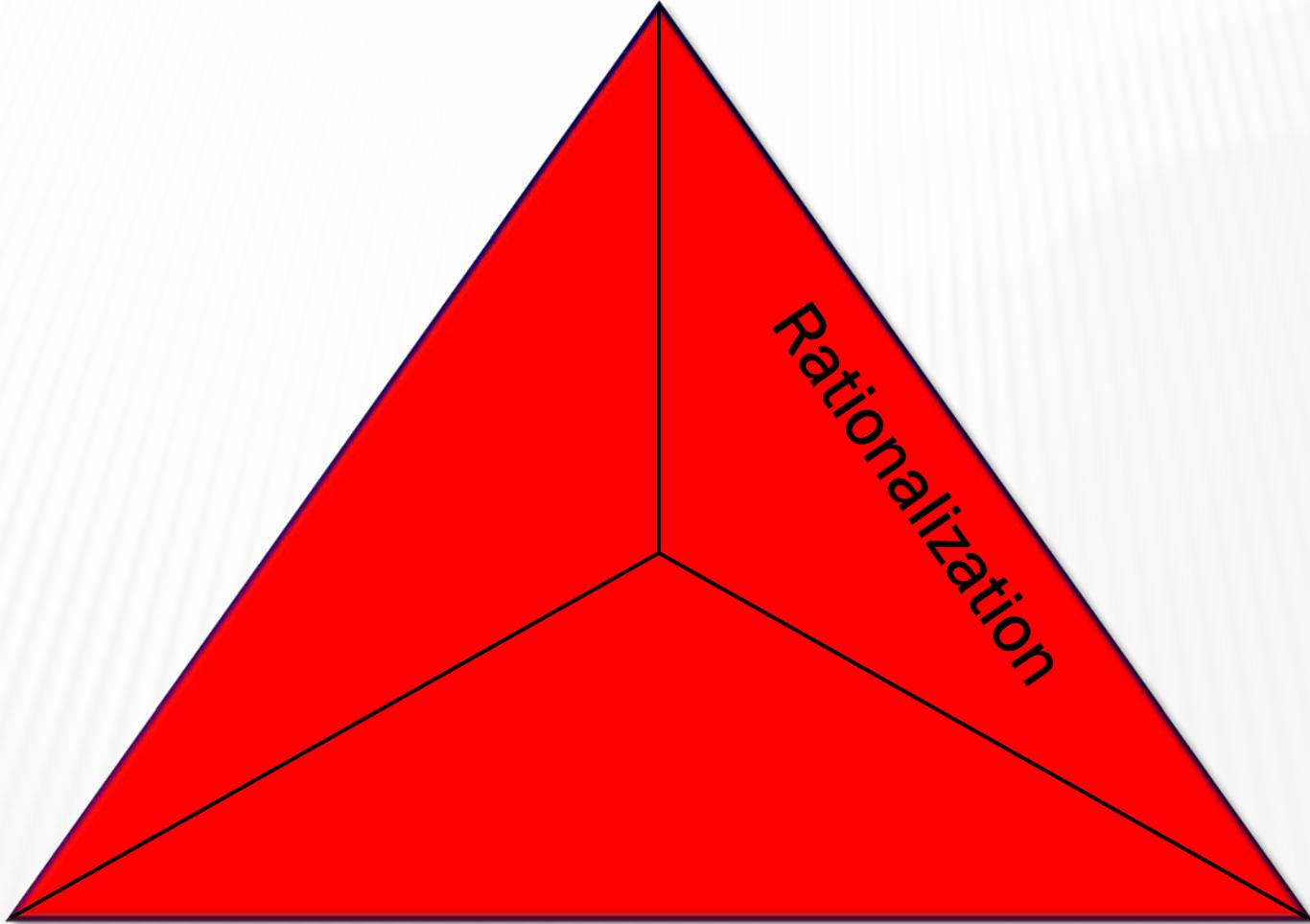


OPPORTUNITY FLAGS

- R Familiarity with operations
- R Ability to override controls
- R No periodic rotation of key employees
- R No uniform personnel policies
- R Lack of strong internal controls
- R Management does not prosecute or punish fraud perpetrators



RATIONALIZATION

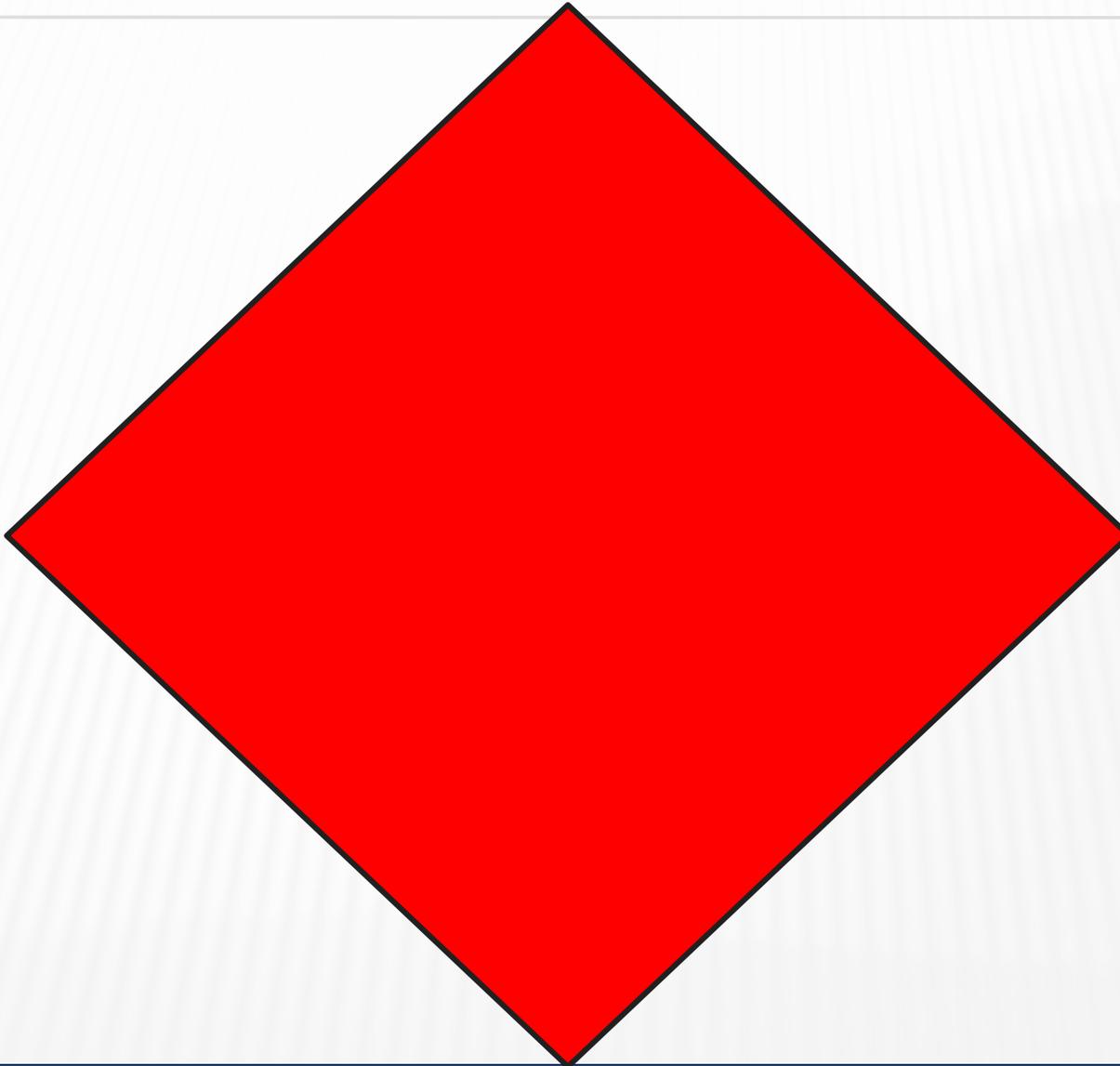


RATIONALIZATION FLAGS

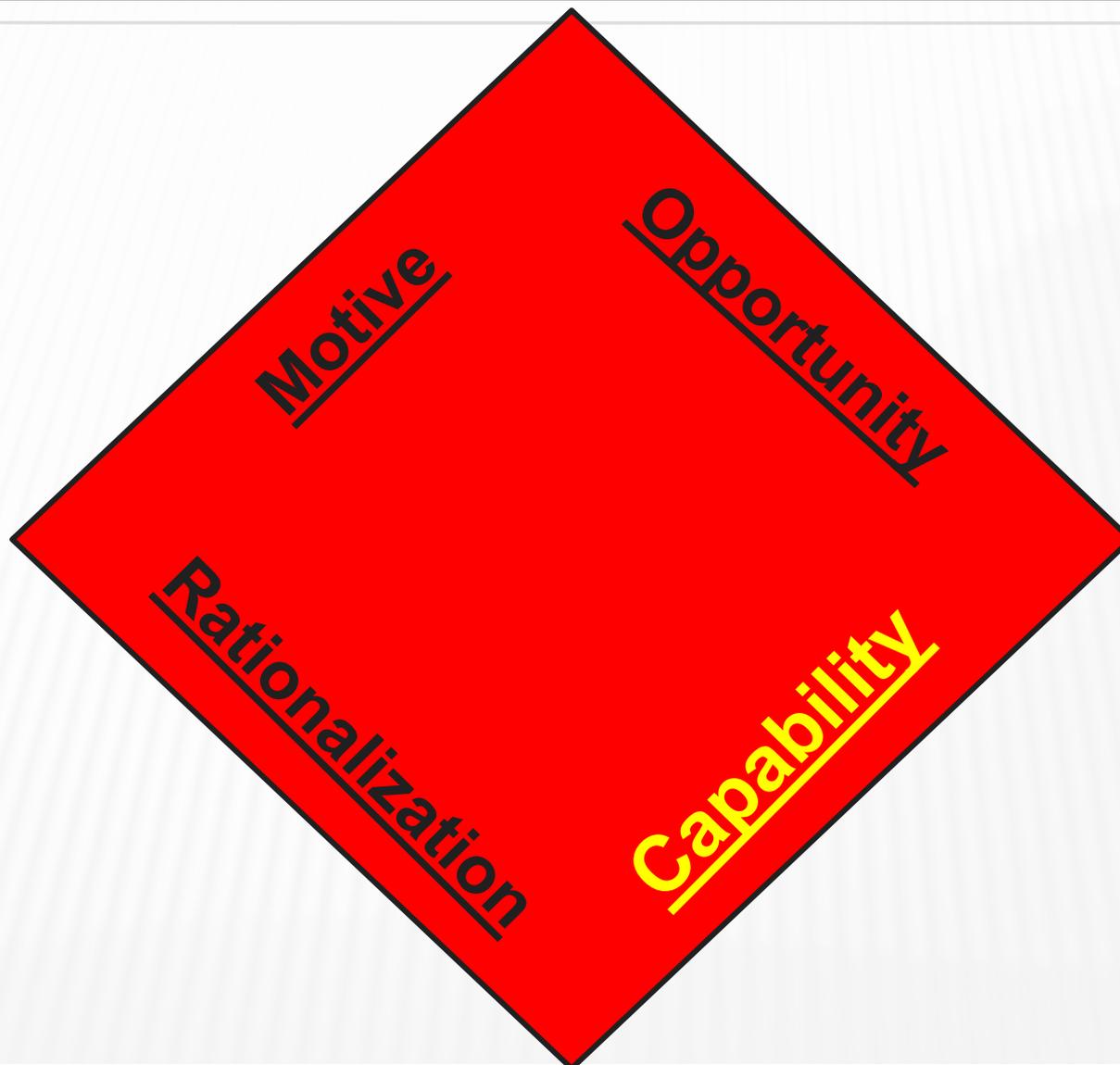
- R They owe me
- R I'm overworked
- R I do the work of two people
- R They'll never miss it
- R I'll just borrow it; I'll pay it back
- R I'm not really hurting anyone
- R Everyone is a little dishonest

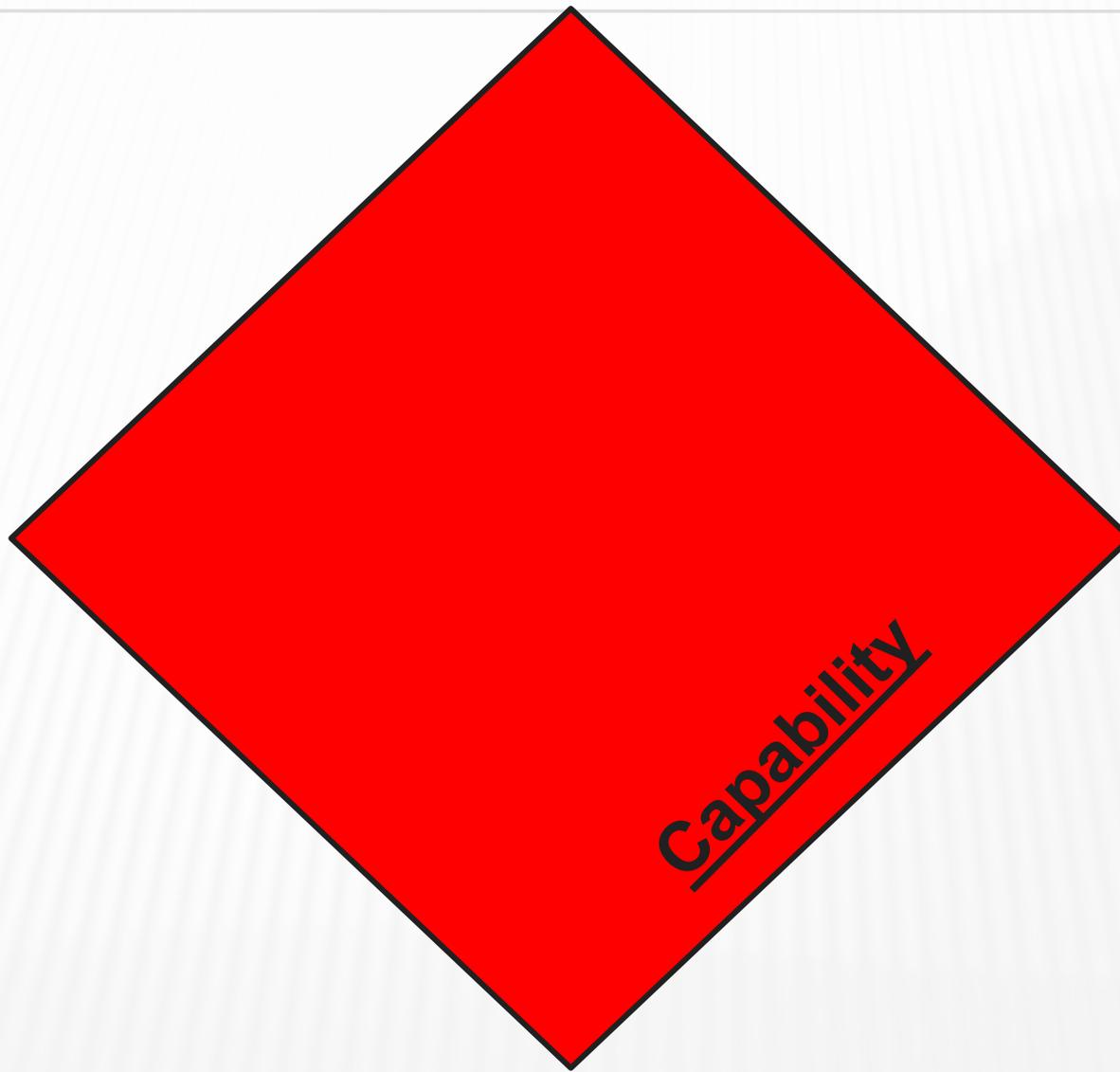


FRAUD DIAMOND



FRAUD DIAMOND





CAPABILITY FLAGS

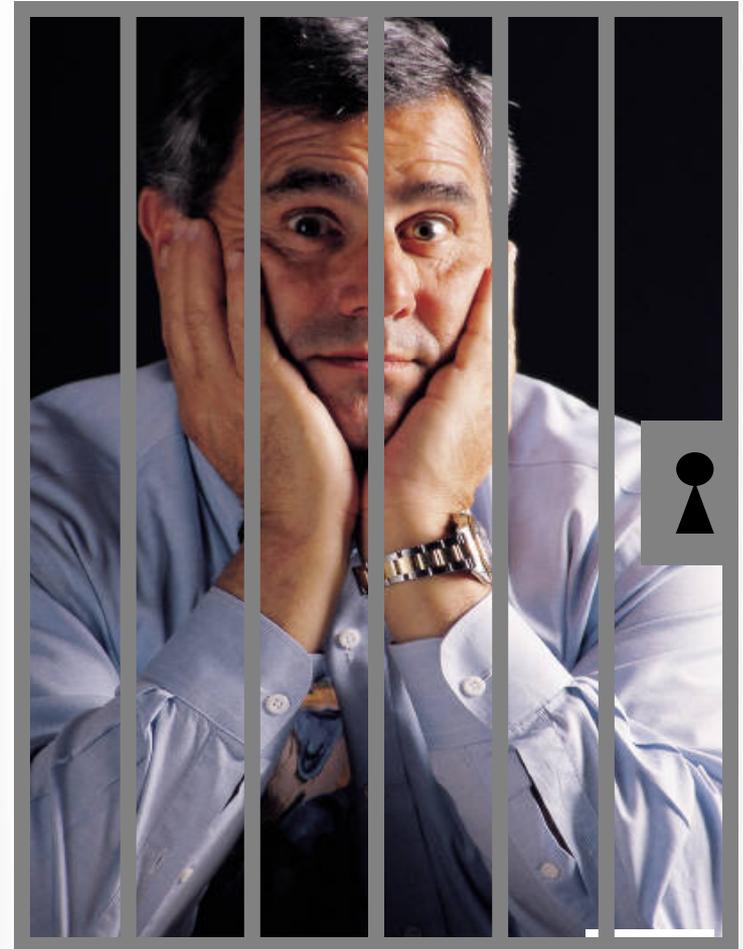
- ✍ Position/function
- ✍ Brains
- ✍ Confidence/ego
- ✍ Coercion skills
- ✍ Effective lying
- ✍ Immunity to stress





PROFILE OF THE WORST OCCUPATIONAL FRAUDSTER

- R Race**
- R Gender**
- R Age**
- R Education**
- R Criminal History**
- R Occupation**
- R Tenure**
- R Salary**



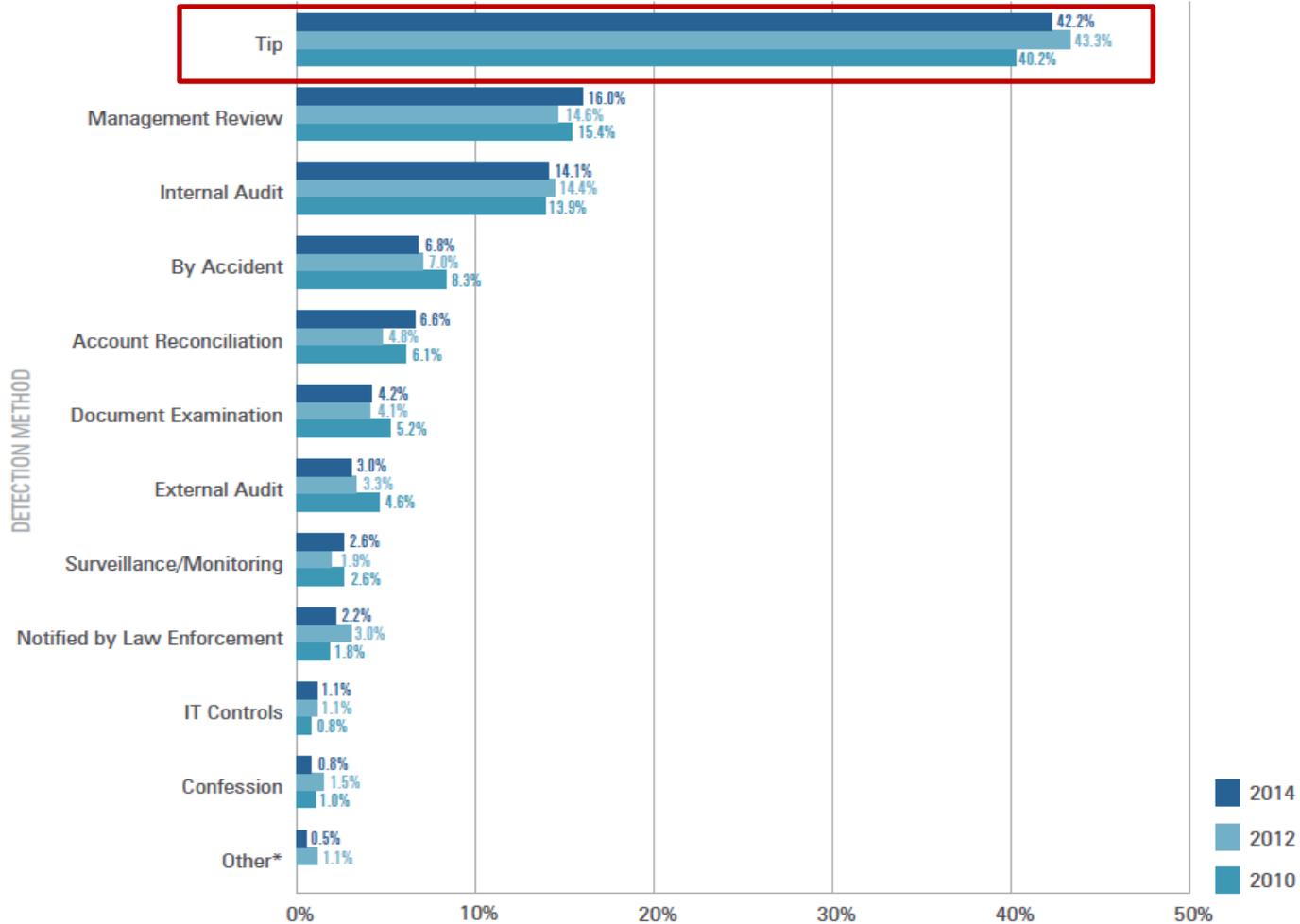
FRAUDSTER DETAILS

In 91 percent of profiles, the perpetrators did not leave it at one single fraudulent act, but committed repeated acts of fraud.



Source: KPMG Profile of a Fraudster Survey 2007

FRAUD DETECTED BY:



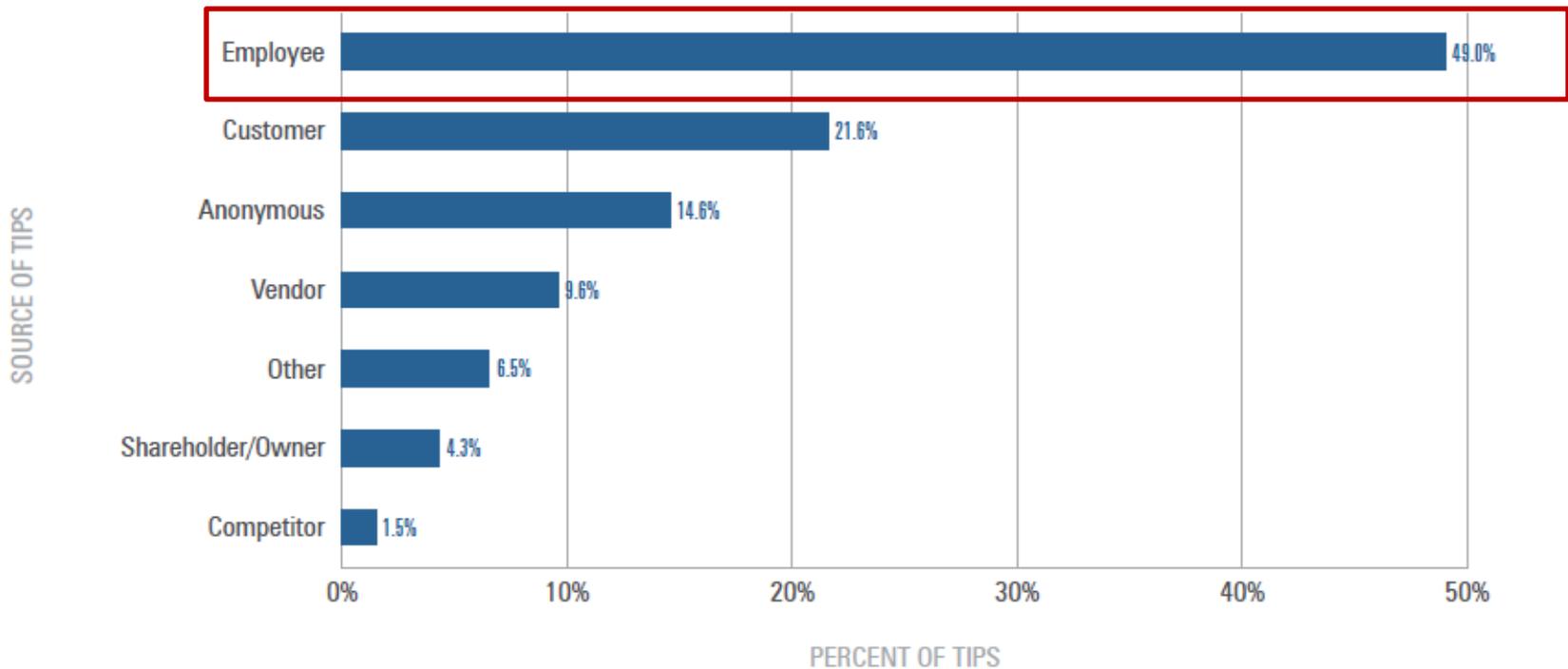
*"Other" category was not included in the 2010 Report.

PERCENT OF CASES

Source: 2014 Report to the Nations on Occupational Fraud & Abuse



SOURCE OF TIPS



Source: 2014 Report to the Nations on Occupational Fraud & Abuse

DOCUMENT FLAGS

- R Hand written endorsement
- R Vendor address is not local, but check is cashed locally
- R No phone number or fake phone number
- R Altered payee name
- R PO Box, suite number, mail drop address



DOCUMENT FLAGS

- ✍ No phone number or fake phone number
- ✍ Company name includes initials or personal name
- ✍ No letterhead
- ✍ Misspellings on document
- ✍ Vague information



DOCUMENT FLAGS

- ✍ Inadequate, copied or apparently altered documents
- ✍ Round amounts or amounts under approval levels
- ✍ Large dollar payments made with cash
- ✍ Invoice figures do not add up



BID RIGGING- BACKGROUND

- ❑ \$1 million in purchases to favored vendors
- Favored vendors received projects at unreasonable prices
 - ❑ Paid approximately 40% more for work



BID RIGGING- VENDORS

- ❑ Fake Vendors
 - ❑ Agency staff created bids in some cases

- Real Vendors
 - ❑ No knowledge of bid submission
 - ❑ Shared owner with favorable vendor
 - ❑ Rescind bid



BID RIGGING-RED FLAGS

- Project Splitting
- Bids between \$5,000 and \$14,999
- Same fax numbers
- Signed by vendor's name
- Missing key information - Contact person



BID RIGGING-HOW IT HAPPENED

- ❑ Seen as common practice
 - ❑ Staff were taught to accept fake bids
 - ❑ Fake quotes were required
- Vendors were family/friends
- Discounts for personal business



CONTRACTING FLAGS

- ✍ Restrictive or vague specifications
- ✍ Bids/quotes received from the same fax
- ✍ Similar letterheads of bidders
- ✍ Unreasonable bid amounts (prev. wage)



CONTRACTING FLAGS

- ⌘ Unable to confirm bids with losing vendors
- ⌘ Lowest bidder does not receive award
- ⌘ Lack of vendor contact information on bids
- ⌘ Signature on bid is the company name



SHELL COMPANY FLAGS

- ✍ Company receives many small dollar payments
- ✍ Company name includes initials
- ✍ No phone number or fake phone number
- ✍ Address is a post office box or suite number
- ✍ No receiving reports



CONFLICT OF INTEREST FLAGS

- ✎ Relationships between awardee and agency staff
 - ✎ Address or identification number match
- ✎ Unexplained or unusual favoritism of a particular vendor
- ✎ Close socialization with or acceptance of gifts from the awardee



BRIBES AND KICKBACKS FLAGS

- ✍ Unjustified favoritism of a certain vendor
- ✍ Unexplained increase in wealth of employee
- ✍ Close socialization with or acceptance of inappropriate gifts from a vendor



DAILY NEWS

Queens State Sen. Shirley Huntley is charged with helping to cover up theft of taxpayer cash she directed to a nonprofit she founded

Newsday

● **State Sen. Shirley Huntley indicted in pork probe**

NEW YORK POST

State Sen. Huntley hauled off in 30G 'scam'

Cuffed in charity cover-up

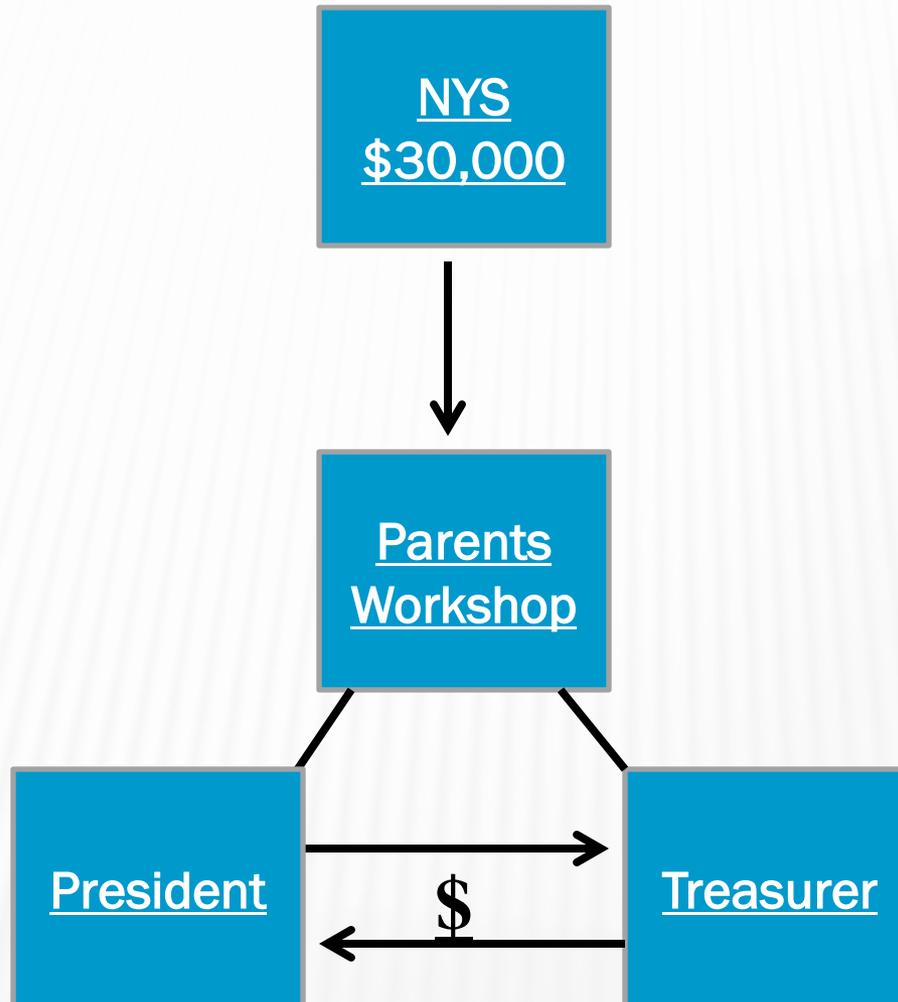
4  **NEW YORK**

NY Senator Shirley Huntley Arrested, Charged with Tampering and Conspiracy

VIDEO



SCHEME



RESULT

Charge	Counts
Grand Larceny	10
Offering a False Instrument for Filing	4
Conspiracy	3
Tampering with Physical Evidence	6
Falsifying Business Records	6
Total Charges	29



RED FLAGS

- ✍ Billed for services – more difficult to verify
- ✍ No supporting documentation submitted with payment request
- ✍ Relationships between the sponsoring Senator and the Treasurer and President



FINDING RELATIONSHIPS

- ❑ Check the NFP's 990
 - ❑ <http://www.guidestar.org/>



GUIDESTAR QUICK VIEW *Everything y*

PARENT WORKSHOP INC

Physical Address: **50 E Saint Marks Pl %
Shirley Huntley
Valley Stream, NY
11580**



FINDING RELATIONSHIPS

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),
or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2007

Name of the organization The Parents' Workshop Inc	Employer identification number 54 : 2192054
--	---

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over \$50,000 ▶		0		

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		



FINDING RELATIONSHIPS

- ❑ Check the NFP's 990

Please Sign Here	<small>Under penalties of perjury I declare that I have examined this return, including attachments, if any, and believe that it is true, correct, and complete. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has knowledge.</small>
	<p>Signature of officer Lynn H. Smith Vice President Type or print name and title.</p>

42a The books are in care of ▶ **Patricia D. Savage**



FINDINGS RELATIONSHIPS

□ <http://seethroughny.net/>

Agency	SubAgency	Last, First	Position	Pay Basis	Rate of Pay	Total	Year ▲
Senate	Senate Temporary	Savage, Patricia	Comty Liaison	Hourly	\$25	\$5,000	2008
Senate	Senate Special Annual	Savage, Patricia D	Dir Cmty Based Progs	Biweekly		\$65,539	2009
Senate	Senate Special Annual	Savage, Patricia D	Conf Assnt	Biweekly	\$3,269	\$84,693	2010
Senate	NYS Senate Regular Annual	Savage, Patricia D	Conf Assnt	BiWeekly	\$3,269	\$85,000	2011
Senate	NYS Senate Regular Annual	Savage, Patricia D	Conf Assnt	BiWeekly	\$3,269	\$85,000	2012

Agency	SubAgency	Last, First	Position	Pay Basis	Rate of Pay	Total	Year ▲
Senate	Senate Regular Annual	Smith, Lynn H	Spec Counsel	Biweekly		\$5,192	2009
Senate	NYS Senate Regular Annual	Smith, Lynn H	Spec Counsel	Biweekly	\$2,885	\$74,135	2010
Senate	NYS Senate Regular Annual	Smith, Lynn H	Spec Counsel	BiWeekly	\$2,692	\$25,163	2011



OTHER SEARCH TOOLS

- GoogleMaps
- Google
- Whitepages
- Openbook
- http://www.charitiesnys.com/RegistrySearch/search_charities.jsp



WHY DON'T PEOPLE REPORT THEIR SUSPICIONS?

- ✎ Fear of repercussion
- ✎ Feel like nothing will be done
- ✎ Inconvenience



CIVIL SERVICE LAW §75-B – “WHISTLEBLOWER LAW”

Prohibits a public employer from taking **disciplinary action** against a **public employee** because that employee **reveals information** to a governmental body regarding a violation of a law, rule or regulation which presents a substantial and specific **danger to public health** and safety or reveals information which the employee reasonably believes is an **improper governmental action** (i.e., violation of Federal, State or Local laws, rules or regulations).



CIVIL SERVICE LAW §75-B – “WHISTLEBLOWER LAW”

To be **protected** by this law, you must make a **good faith** effort to **inform** your **employer** and give them **reasonable time** to take **appropriate action**.



Specification	What can go wrong?	How agency can monitor
<p>Pages 27 to 54 of the contract include specific preventive maintenance activities for each type of equipment (hydraulic elevators, traction elevators, escalators, dumbwaiters) and the frequency for each activity (e.g., weekly, bimonthly, quarterly, semi-annually, annually).</p>		
<p>Page 24 of the contract lists (1) the elevators, escalators and dumbwaiters covered by the contract; (2) monthly and annual prices; (3) labor titles and rates; (4) estimated hours; and (5) mark-up on materials.</p>		

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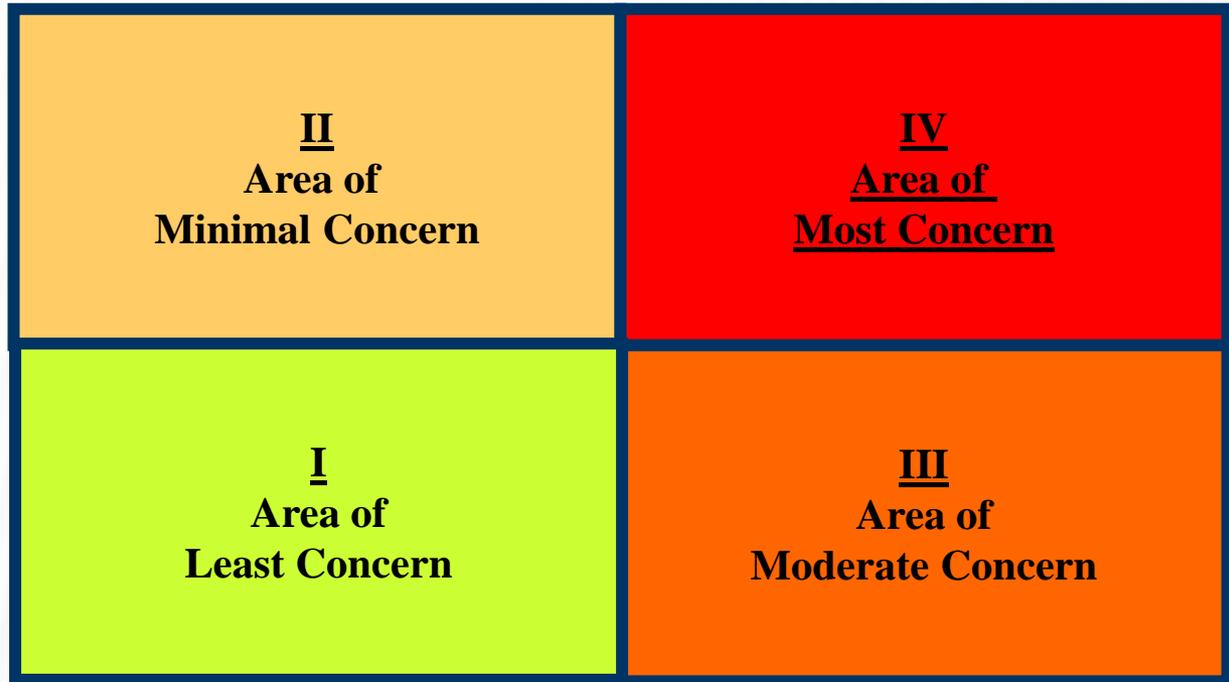
STEP 4.

PRIORITIZE RISKS: SO WHAT'S THE BIG DEAL?

HIGH

Likelihood

LOW



LOW

Impact

HIGH



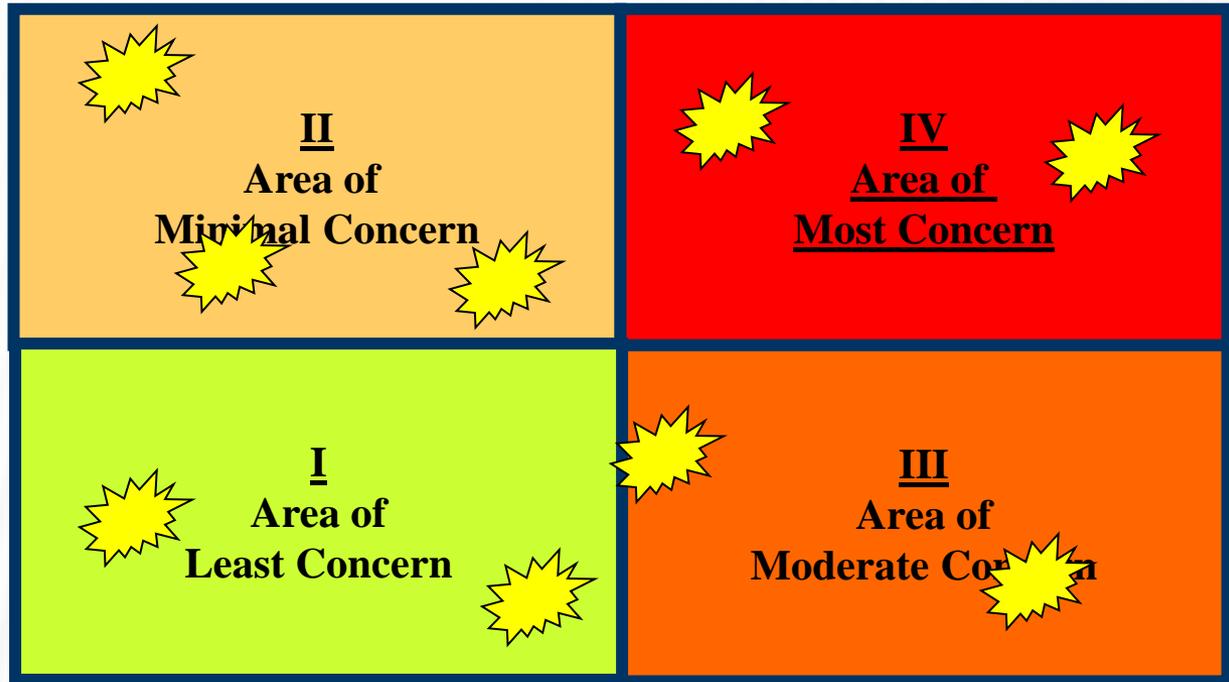
STEP 4.

PRIORITIZE RISKS: SO WHAT'S THE BIG DEAL?

HIGH

Likelihood

LOW



LOW

Impact

HIGH



STEP 5. DETERMINE AGENCY'S RESPONSE TO THE RISKS

- ❑ Mitigate
 - ❑ Revise administrative procedures
 - ❑ Improve control systems
 - ❑ Increase auditing
 - ❑ Other
- ❑ Accept



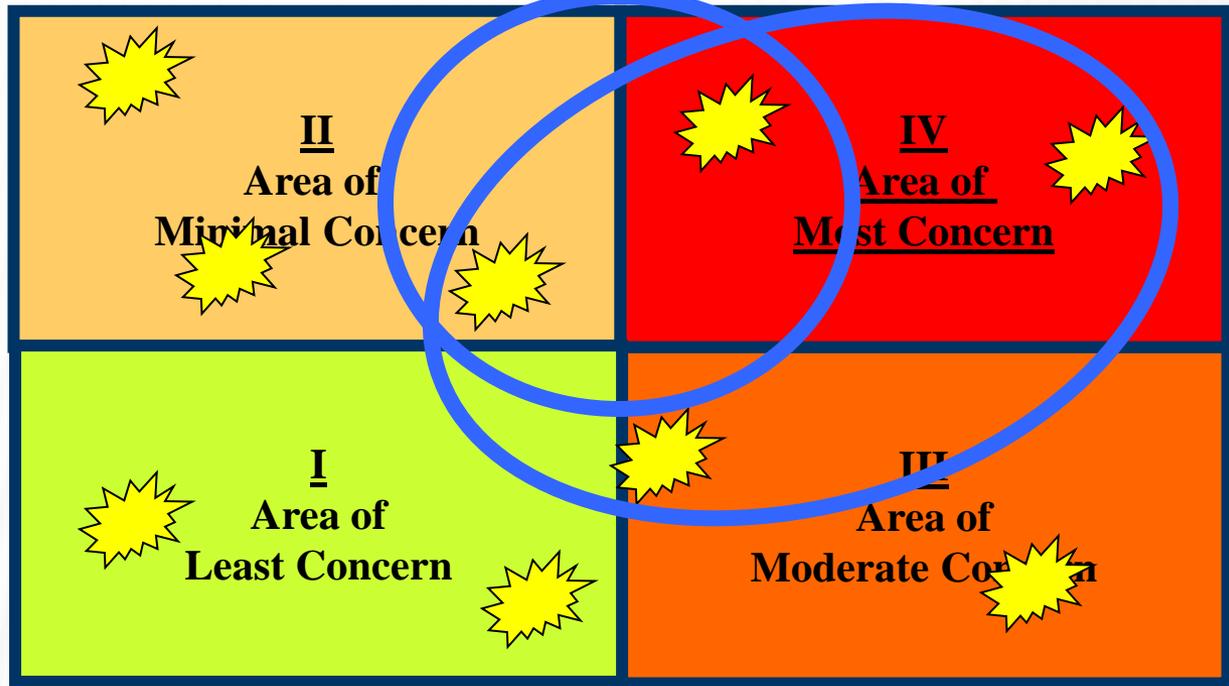
STEP 5.

DETERMINE AGENCY'S RESPONSE TO THE RISKS

HIGH

Likelihood

LOW



LOW

Impact

HIGH



- ❑ Design steps to mitigate risks
 - ❑ Who is going to do it?
 - ❑ How are they going to document it?
 - ❑ Whom are they going to give the documentation to?



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	<p>CONTRACTOR overcharges AGENCY on hourly rates, monthly or annual prices (higher rate, or charges for services not performed), or mark-up on materials.</p>	<p>The Clerk 2 should refer to the pricing schedule when reviewing the CONTRACTOR invoice to determine whether the CONTRACTOR is charging the AGENCY the correct prices on equipment covered by the contract.</p>

BRAINSTORMING SESSION

❑ Contractor Concerns



WHO SHOULD MONITOR?

- ❑ Program staff
- ❑ Finance staff
- ❑ Consultants
- ❑ Agency auditors
- ❑ OSC auditors



MONITORING PROCESS

- ❑ Timing
- ❑ Extent



MONITORING

- ❑ Objective
 - ❑ Gather information to determine whether or not things are happening the way they are supposed to be.



EVIDENCE

- ❑ Enough information (Sufficient)
- ❑ The “right” information (Appropriate)



INFORMATION

- ❑ Three kinds of information:
- ❑ **T**homas **P.** **D**iNapoli
 - ❑ **T**estimonial
 - ❑ **P**hysical
 - ❑ **D**ocumentary



HUMAN COMMUNICATION

- ___ percent words
- ___ percent hidden messages
- ___ percent nonverbal



HUMAN COMMUNICATION

- ❑ **3.5** percent words
- ❑ **3.5** percent hidden messages
- ❑ **93** percent nonverbal



FACIAL EXPRESSIONS



WHIVSIV



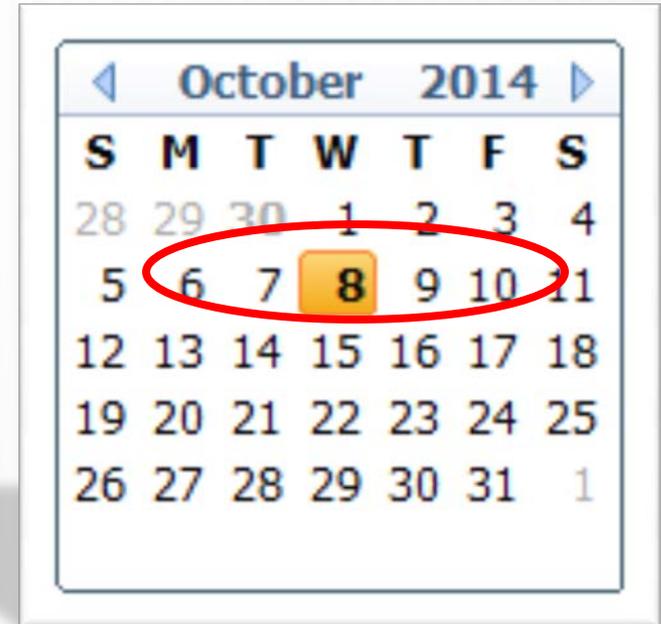
BEFORE YOU GO...

- ❑ Get management buy-in



BEFORE YOU GO...

- ❑ Schedule a date



BEFORE YOU GO...

- ❑ What do you already know?
- ❑ What do you still need to know?
- ❑ What do you need to see?
- ❑ Who can tell you?
- ❑ Who can show you?



AT THE CONTRACTOR



PROFESSIONAL SKEPTICISM

- An attitude that includes a questioning mind and critical assessment of information.



PROFESSIONAL SKEPTICISM

- ❑ An attitude that includes a questioning mind and critical assessment of information.



PROFESSIONAL SKEPTICISM

- ❑ An attitude that includes a questioning mind and critical assessment of information.



QUESTIONING MIND

- ❑ Why?
- ❑ Show me!



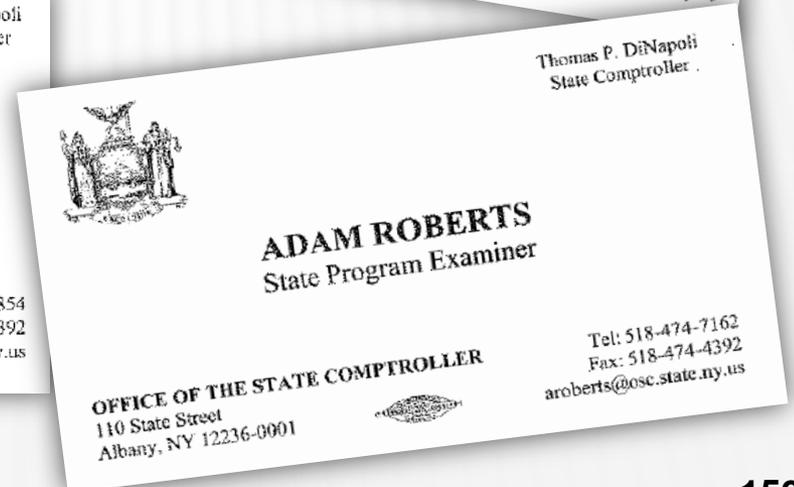
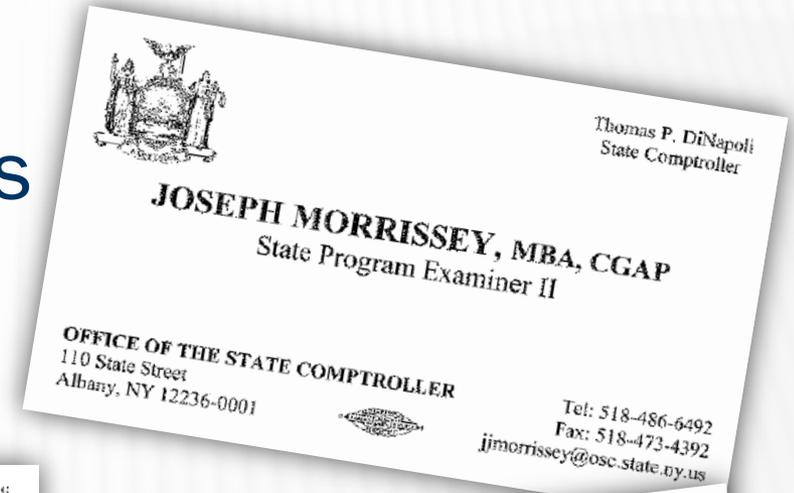
CRITICAL ASSESSMENT OF INFORMATION

- ❑ Does this make sense?
- ❑ How can I verify it?



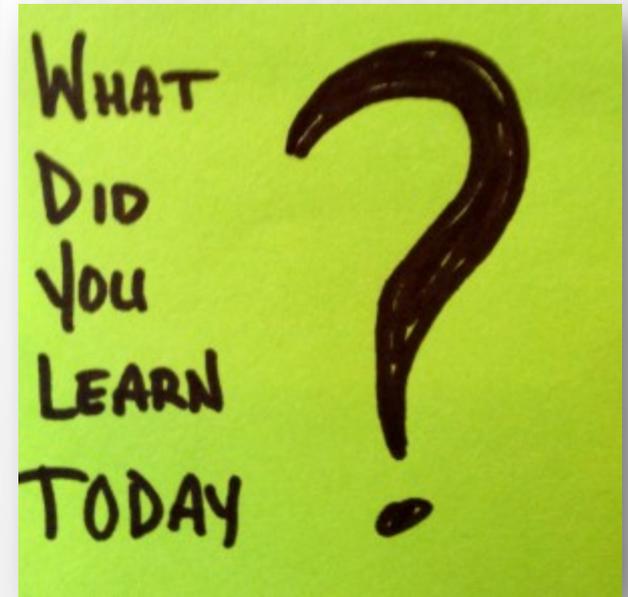
THE INTERVIEW

- ❑ Prepare
- ❑ Rapport
- ❑ Use open-ended questions
- ❑ Use list?
- ❑ Leave business card



AFTER THE ROAD TRIP

- ❑ What did you learn?
- ❑ Was everything “O.K.”?
- ❑ Were there any red flags?
- ❑ Who needs to know?



STEP 7. FOLLOW UP

- Corrective action
- Withhold payment
- Terminate contract
- Other?



□ The Process in Review



STEP 1. IDENTIFY RISKY CONTRACTS

- ❑ What data do you have available?
- ❑ How can it help you identify risky contracts?



STEP 2.

UNDERSTAND CONTRACT TERMS AND OTHER REQUIREMENTS

- ❑ Intuition
- ❑ Conversation
- ❑ Purchase order details
- ❑ Contract specifications
- ❑ Laws, rules & regulations
- ❑ Guidelines



STEP 3. IDENTIFY RISKS: WHAT CAN GO WRONG?

- ❑ **Programmatic**
 - ❑ What can prevent the goal accomplishment?

- ❑ **Fiscal**
 - ❑ How can the contractor get money they didn't earn?

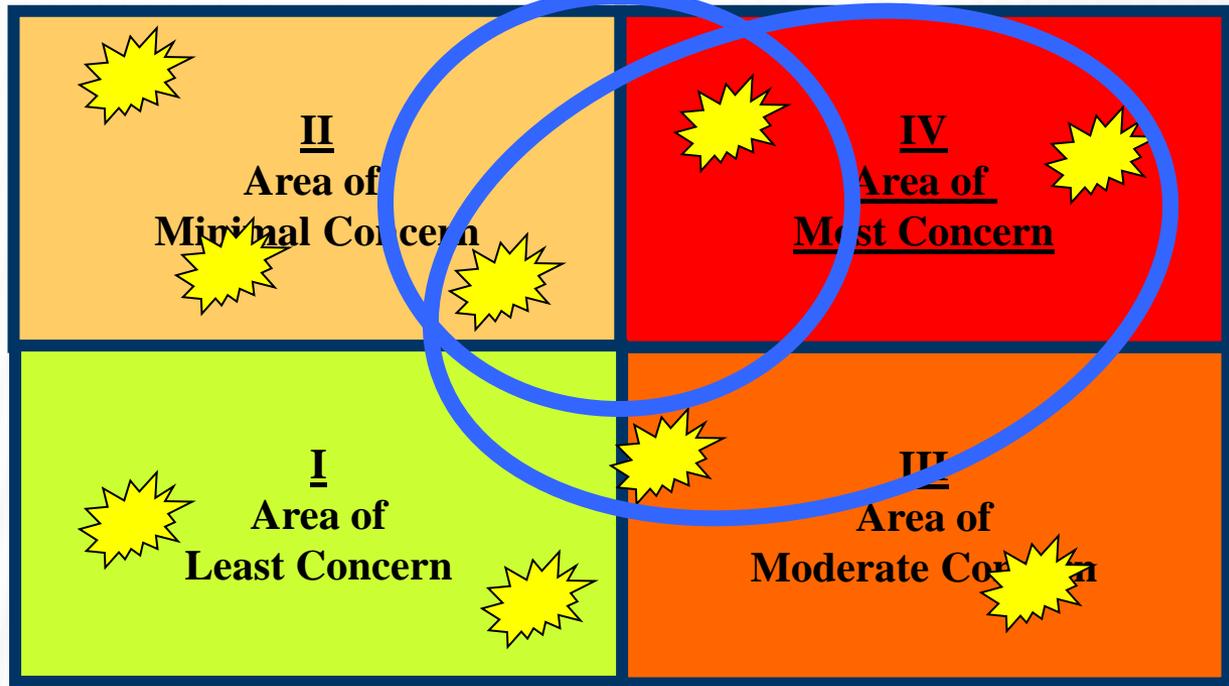


STEP 4.

PRIORITIZE RISKS: SO WHAT'S THE BIG DEAL?

HIGH

Likelihood



LOW

LOW

Impact

HIGH



STEP 5. DETERMINE AGENCY'S RESPONSE TO THE RISKS

- ❑ Mitigate
 - ❑ Revise administrative procedures
 - ❑ Improve control systems
 - ❑ Increase auditing
 - ❑ Other
- ❑ Accept



STEP 6.

DESIGN AND IMPLEMENT MONITORING ACTIVITIES

- ❑ Design steps to mitigate risks
 - ❑ Who is going to do it?
 - ❑ How are they going to document it?
 - ❑ Whom are they going to give the documentation to?



STEP 7. FOLLOW UP

- Corrective action
- Withhold payment
- Terminate contract
- Other?



BRAINSTORMING SESSION

□ Qualities of an Effective Monitor



FOR FUTURE REFERENCE

- ❑ Guide to Financial Operations
- ❑ XI.11.F Contract Monitoring

<http://www.osc.state.ny.us/Agencies/guide/MyWebHelp/Content/XI/11/F.htm>



WHY ARE WE HERE?

- ❑ We are here because we have a duty and mission to carry out.
- ❑ Tomorrow's duty and mission:
 - ❑ Accomplish agency missions by effectively applying monitoring techniques



WHY ARE WE HERE?



FINAL THOUGHT...

❑ Margaret Mead

“Never doubt that a small group of thoughtful, committed people can change the world. Indeed, it is the only thing that ever has.”

