



The City of New York
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CITYTIME'S PRIME CONTRACTOR RETURNS NEARLY \$2.5 MILLION TO CITY COFFERS

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), announced today the receipt of nearly \$2.5 million that Science Applications International Corporation ("SAIC"), the prime contractor on the CityTime project, promised to repay the City. In a letter to the City dated May 23, 2011, SAIC stated Gerard Denault, its former project manager on the CityTime project, violated SAIC policy with respect to timekeeping practices while working on the project. SAIC's letter stated that Denault routinely recorded a set number of hours each day rather than the actual hours he worked. Each employee, the letter said, is supposed to certify that his or her time records are accurate. As a result, SAIC said it would reimburse the City for Denault's billed time on a specified phase of the CityTime project, which SAIC said was \$2,470,522. Following requests made by DOI this week, that money has now been transferred to DOI for return to the City.

DOI Commissioner Rose Gill Hearn said, "The irony is that the time records of the top corporate manager of a multimillion-dollar project intended to modernize the City's timekeeping system became the focus of a timekeeping investigation by his employer. DOI is gratified that this money was refunded to the taxpayers."

DOI and the United States Attorney for the Southern District of New York continue to actively investigate the CityTime project, which has already resulted in charges against 11 individuals, including Denault, and one corporation. In addition to the funds deposited today in the City's account, the criminal investigation has led to the seizing and freezing of more than \$38 million connected to the defendants, and the restraint of 15 properties with a combined estimated value of at least \$10 million.

An indictment is an accusation. Defendants are presumed innocent until proven guilty.

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.

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