



# Department of Investigation

## *Press Release*

**Release # 028-2002**

FRIDAY, MAY 17, 2002

### **NJ VENDOR CHARGED IN \$72K CONTRACT FRAUD** *-- Submitted Phony Vendor Supply Letter To DCAS --*

ROSE GILL HEARN, Commissioner of the Department of Investigation (DOI), today announced the felony arrest of DAVID HORWITZ, a vice-president of Central Jersey Supply Company (Central Jersey) in Perth Amboy, New Jersey, for submitting, to the Department of Citywide Administrative Services (DCAS), a forged letter in an attempt to secure a vendor supply contract with DCAS.

According to Commissioner Gill Hearn, Central Jersey submitted a bid of \$72,020 on a DCAS requirements contract for the City to purchase PVC pipes, fittings, and valves. The bid opening for this contract was held on January 25, 2002. Subsequently, DCAS conducted a review of Central Jersey to determine its responsibility and responsiveness for the award of this contract. During this review process, DCAS required Central Jersey to demonstrate that it was an authorized distributor of a particular product manufactured by Hayward Industries, Inc. (Hayward), namely "Hayward Flow Control" products, and HORWITZ provided DCAS with such a letter, dated February 1, 2002.

DOI began an investigation in March 2002, after a DCAS employee became suspicious about the authenticity of the letter. The DOI investigation confirmed that HORWITZ directed a Central Jersey employee to type the letter on an altered copy of Hayward stationery, and sign it, using the name and forged signature of an actual Hayward employee. The investigation further revealed that HORWITZ then faxed the fraudulent letter to DCAS on or about February 1, 2002.

HORWITZ, 49, of 17 Fishel Road, Edison, New Jersey, was charged with Criminal Possession of a Forged Instrument in the Second Degree, a Class D felony, and Offering a False Instrument for Filing in the First Degree, a Class E felony. If convicted, he faces up to 7 years in jail.

Commissioner Gill Hearn expressed her sincere appreciation to DCAS Commissioner Martha Hirst and members of her staff for their assistance and cooperation during the investigation.

The investigation was conducted by Robert Joyce, DOI's Inspector General for DCAS, and members of his staff, including Assistant Inspector General Mary Kozlow, and Confidential Investigators Christine Carl and Shannon Rowe.

The Office of Manhattan District Attorney Robert M. Morgenthau is prosecuting the case. Assistant District

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Attorney Jonathan Berger is handling the matter, under the supervision of Assistant District Attorney Leroy Frazer, Chief of the DA's Special Prosecutions Bureau.