



The City of New York
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**DOI STATEMENT ON CONVICTIONS OF BUSINESS OWNER AND COMPANY OFFICIAL IN
BID-RIGGING SCHEME TO OBTAIN SURPLUS SECURITY ENTRANCE SYSTEMS**

ALAN J. RISI and JOANNE RUSCILLO were convicted Thursday, February 7, 2008, in Manhattan Criminal Court for their role in a bid-rigging scheme during an auction of surplus City property. RISI, 60, of Queens, is the Chief Executive Officer of Georal International, Ltd. (Georal), of Whitestone, New York. RUSCILLO, 49, of Queens, is the Director of Sales for Integrated Security Corp. (Integrated), which is located at the same address in Whitestone, New York as Georal.

The convictions are the culmination of a DOI investigation. The City conducted an auction on March 23, 2006 of 19 surplus security entrance systems that were manufactured by Georal and sold in 2000 and 2001 to the New York City Department of Correction and Police Department for almost \$1 million. Both RISI, representing Georal, and RUSCILLO, representing Integrated, bid on the doors. RISI and RUSCILLO also signed bid documents affirming that their bids were made without any understanding, agreement or connection with any person, firm or corporation making a bid for the same personal property, and were in all respects fair, and without collusion or fraud. Both RISI, on behalf of Georal, and RUSCILLO, on behalf of Integrated, falsely affirmed that this was true. Georal bid \$10,000 and Integrated submitted a bid for \$35,000.

The investigation determined that, in fact, RISI and RUSCILLO conspired to rig this bid. RUSCILLO used four money orders worth a total of \$3,500 for the required deposit of ten percent of Integrated's bid of \$35,000. The investigation found that the four money orders were purchased on March 22, 2006 by RUSCILLO at a Queens check cashing store with a Georal check that was signed by RISI. Later that morning, RUSCILLO deposited the money orders with the City. The investigation also found that RISI was the sole signatory of checking accounts used by both Georal and Integrated.

RISI was convicted of two counts of Offering a False Instrument for Filing in the First Degree, a class E felony, and is scheduled to be sentenced on February 25, 2008. RUSCILLO was convicted of one count of Offering a False Instrument for Filing in the Second Degree, a class A misdemeanor, and is expected to be sentenced on March 20, 2008.

As a result of DOI's investigation, the City never awarded the bid and Georal and Integrated never received the doors.

This is the second time that a DOI investigation has led to a felony conviction of RISI. In 2004, RISI pleaded guilty to Grand Larceny and paid a \$50,000 fine for submitting phony invoices to the City while performing maintenance on the entrance doors of City office buildings and court buildings.

DOI Commissioner Rose Gill Hearn said, "This case demonstrates that individuals who seek to steal from the taxpayers will be caught and prosecuted. That lesson should be especially clear to Mr. Risi who has learned that the criminal justice system is not a revolving door. These convictions are the result of the hard work of DOI investigators and prosecutors of the Manhattan District Attorney's office."

The investigation was conducted by DOI Analyst John F. Manning, under the supervision of Associate Commissioner Robert Joyce.

The case was prosecuted by Assistant District Attorney Hope Korenstein, under the direction of the Chief of the Public Integrity Bureau, Thomas Wornom, of the Office of New York County District Attorney Robert M. Morgenthau.

DOI is grateful for the assistance of Martha K. Hirst, Commissioner of the New York City Department of Citywide Administrative Services, and members of her staff.

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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