



The City of New York  
Department of Investigation

MARK G. PETERS  
COMMISSIONER

80 MAIDEN LANE  
NEW YORK, NY 10038  
212-825-5900

Release #11-2015  
[nyc.gov/html/doi](http://nyc.gov/html/doi)

**FOR IMMEDIATE RELEASE**  
**FRIDAY, APRIL 24, 2015**

**CONTACT: DIANESTRUZZI**  
**BETSY PISIK**  
**212-825-5931**

**DOI Commissioner Mark G. Peters**  
**“Strengthening Government through Anti-Corruption Investigations –**  
**How the Department of Investigation’s Work Makes NYC Better”**

**Remarks for the Center for the Advancement of Public Integrity Conference**  
**Global Cities: Joining Forces Against Corruption**  
**Columbia Law School – Jerome Hall**

Thank you Jennifer. It’s great to be back at Columbia Law School for a CAPI event and to be part of such a robust gathering of municipal leaders and integrity experts from around the world, to talk about best practices combating corruption.

I would like to also thank and recognize Columbia Law School Dean Gillian Lester and CAPI Board Chair Rose Gill Hearn – your work in elevating the discussion on municipal integrity has been and continues to be invaluable.

As integrity professionals we see the real-world impact of corruption: It erodes public confidence; it undermines the equitable delivery of services; and it stands in the way of efficient and effective government. The work we do to prevent and expose, and punish this wrongdoing is challenging but integral to good government.

As one of the oldest law enforcement agencies in the United States, the history of the New York City Department of Investigation demonstrates, time-and-again, how municipal integrity agencies strengthen government.

DOI was established in the late 1800s, a response to the scandal of Boss Tweed and his cronies, who siphoned or extorted an estimated \$200 million from the City. Exasperated with Tweed’s corruption-filled reign, the public pushed for a solution, specifically an entity that would protect public funds and the people’s interests. Over the next 50 years, as municipal reform and economic populism took root, DOI’s leaders came to understand the deep connection between fighting corruption and effectively delivering on a City’s basic obligation to its citizens.

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I think DOI's broad mission was best described by William Herlands, the DOI Commissioner chosen by the tough-minded political reformer Mayor Fiorella LaGuardia:

"...the outstanding feature of the Department's powers and duties is that it is not limited to any specific type of municipal activity, agency, or geographical subdivision. ... It is concerned with economic, educational, and social problems, as well as technical efficiency and official morality. It is dedicated to constructive reorganization as well as the unmasking of corruption."

This history informs every aspect of our work today: DOI exists because New Yorkers demanded the creation of an oversight agency that could help ensure lawmakers were honest and effective stewards of taxpayer dollars. This is a critical point that bears repeating: DOI exists not as a top-down dictate, but because of the broad expectation of New York's citizens. As the New York City Charter commands: The DOI Commissioner is authorized and empowered to make any study or investigation which in his or her opinion may be in the best interests of the city, including but not limited to investigations of the affairs, functions, accounts, methods, personnel or efficiency of any City agency. This supports our mandate to do what must be done, to expose wrongdoing even when it means shedding light on an uncomfortable or embarrassing truth.

And the people of New York, in creating the agency, gave it ample tools to do the job. With approximately 500 staff, DOI is empowered to issue subpoenas, execute search warrants, and take testimony under oath. Where we find criminal conduct we make arrests. Where we find waste, inefficiency or vulnerability to misconduct we issue public reports that force municipal reforms.

To that end, DOI attacks corruption through a comprehensive strategy of high-impact arrests, front-end prevention, and systemic reform that over the past year has led to positive results. For all those baseball fans in the audience, I liken it to a triple play of sorts. For those of you who are football fans, which we continue to call soccer here, you would call it a hat-trick.

With the mandate to ensure that government is both honest and effective, and with a three pronged approach of arrests, prevention and systemic reform, we have undertaken complex investigations that span from unsafe daycare centers to corruption at Rikers Island, from grossly wasteful IT projects to a widespread bribery scheme involving buildings and housing inspectors, and from exposing the root causes of abysmal homeless shelters to the theft of construction workers' wages.

DOI has oversight of more than 300,000 City employees in more than 50 City agencies, dozens of Boards and Commissions, the Office of the Special Commissioner of Investigation of the New York City School District, which monitors the Department of Education's 135,000 employees; and the Office of the Inspector General for the New York City Housing Authority.

Last year we added another area of oversight to our mandate, fulfilling a recent local law calling on DOI to "investigate, review, study, audit and make recommendations relating to the operations, policies, programs and practices, including ongoing partnerships with other law enforcement agencies," of the New York City Police Department. As a result, shortly after I took office last year, DOI created the Office of the Inspector General for the NYPD whose goal is to enhance the effectiveness of the NYPD, increase public safety, protect civil liberties and civil rights, and increase the public's confidence in the police force. That office is up and running, with a nationally known police oversight expert at its helm, and has already issued its first report on the disciplinary process regarding chokeholds, a process that we found was opaque and requires further review, which the Office of the Inspector General for the NYPD is currently undertaking.

What I have learned in my years as a former prosecutor with the state Attorney General's Office is a government without pointed and compelling integrity strategies – without self-awareness of its corruption flaws – operates in darkness. Guided by this knowledge, we are using the laws that empower DOI to design investigations that lead to high-impact arrests and results. These are arrests that not only punish wrongdoers, but lead to broader governmental reforms.

Let me show how that philosophy looks in several recent DOI investigations. The theme you will see again, and again, is that our anti-corruption work affects the governing of the City and its impact on the lives of New Yorkers every day:

- A large segment of DOI's work focuses on exposing and stopping conduct that jeopardizes public health and safety. Over this past year, several of our investigations have led to both targeted and systemic approaches to this problem:
  - Earlier this year, DOI, in partnership with the Manhattan District Attorney's office, indicted 50 individuals, including senior level employees of the City Buildings Department and one of its housing agencies, who took bribes to overlook building safety violations. This far-reaching investigation began two years ago when a City employee reported a bribe attempt to DOI. We could have closed the case with arrests of several low-level employees. Instead, by using labor intensive techniques such as wire taps, over the past year we were able to establish that a series of bribery-and-kickback schemes were at play – schemes involving senior level employees who took bribes to look the other way at safety risks and speed the process for those willing to corrupt the system. This was the classic example of how corruption saps a City's ability to exercise its basic function of keeping its citizens safe. Thankfully, we were able to work with the Manhattan District Attorney to ensure that New Yorkers are no longer threatened by these particular schemes. Our work in this important area continues.
  - As another example, more than a dozen DOI investigators continue to work on the effort to vet vendors for the Universal Pre-Kindergarten program, geared at giving every young child in the City a strong educational start. Because of DOI's seat at the table with other relevant agencies, we are able to identify and reject vendors with integrity and safety issues before the program starts. Investigators have worked hundreds of hours to stop bad actors from obtaining City funds or putting our children at risk.
- While the public demands honesty and efficiency in all of government, when government affects those in its custody, such demands from New Yorkers can – and recently have – taken sharp urgency. This has been particularly so at the City's main jail complex on Rikers Island.

The Island that sits in the East River between Queens and the mainland Bronx, adjacent to the runways of LaGuardia Airport, houses an average daily population of 10,000 in 10 jails. DOI investigations, many ongoing, have already demonstrated massive problems of corruption and violence.

Informed by the compelling work DOI has historically done in this area, our investigators brought this to the next level by looking at systemic issues driving these problems.

Through the use of both covert and overt operations, including wire taps, undercover investigators and confidential informants DOI identified serious vulnerabilities including insufficient screening for contraband and incomplete vetting of personnel. Most tellingly, we sent an undercover agent through Rikers screening with 250 vials of heroin, a half-pound of marijuana, a water bottle filled with vodka, 24 strips of an opiate called suboxone, and a razor blade. He passed through, undetected, six of six times.

These deficiencies put the lives of both correction officers and inmates at risk. DOI compiled its findings in two very public reports that have resulted in reforms on Rikers, specifically an expansion of drug-sniffing dogs, an effort that is currently underway; and improved recruitment and staff screening measures.

In addition, and simultaneous to these reports, DOI arrested 11 Correction Officers and supervisors who were charged with various illegal conduct, such as contraband smuggling and submitting false reports to cover up inmate assaults.

We did not stop there. With the assistance of the City Correction Department, we conducted sweeps of jail facilities to find contraband within the jails and worked with correction officials to arrest more than 30 inmates for a variety of crimes including the promotion of contraband.

Corruption at Rikers must be curtailed if the City is to safely run its system of jails.

This investigation is very active and I expect additional results – both reports and arrests – this year. However, this work shows how we must harness all three law enforcement techniques: high impact arrests, front end prevention (such as better screening) and reports leading to systemic change. This investigation also demonstrates the benefit of attacking corruption on multiple levels for the greatest impact, including working with agency heads to establish integrity controls that make illegal activity harder to commit and easier to detect.

Preventing corruption, waste, fraud, and abuse on the front-end – whether by weeding out dangerous pre-K providers before they can join the program or strengthening weak screening that facilitates contraband smuggling in our jails – while less visible than arrests, is every bit as important.

Before concluding, I would like to describe one final investigation that I believe illustrates this point.

Last month, DOI released a report on our investigation that found serious deficiencies in the City's shelters for homeless families. The detailed report provided an extraordinary window into conditions at these shelters with recommendations of how to fix the inadequacies we found. DOI inspected 25 shelters for families, finding many of their conditions unsafe and unhealthy for the families living there. We found blocked fire exits. We found exposed heating pipes. And we found dead rats decaying for days in rooms occupied by children. And for all of this, the City paid three times market rate.

Now, however, working with the Department of Homeless Services, some of the reforms we recommended have already been adopted, including the need to bring vendors under contract so the City has leverage when vendors do not adequately take care of their properties or ignore safety violations.

This investigation is part of a broader set of investigations that are examining problems – both criminal and non-criminal – in how the City delivers social services. These investigations have already found and stopped active fraud. In one case, our investigation resulted in the arrest of a social services employee who was charged with manipulating the system to have hundreds of thousands of dollars' worth of checks issued to his friends and criminal associates and to get a portion kicked back to him. In another case, we arrested an individual charged with stealing approximately \$121,000 in adoption subsidy payments. Our work in this area is very much ongoing.

These investigations give you an overview of the work DOI does and how we endeavor to efficiently root out corruption as close to the source as possible — that is, the senior officials, those in sensitive positions, and those who would use their position to influence dozens of others to do the same.

We must all work to identify and change the practices that open our governments to corruption. In this way, we justify the faith that people have put in us by protecting the greatest amount of taxpayer dollars, and ensuring that public services are delivered in the most honest and efficient manner possible.

The benchmark for success is in the tangible results our investigations yield: Better shelter for homeless families; safer jails and construction sites; improved public spending practices; and the return of millions of dollars in stolen City funds: In my view, that equals success on a real human scale. The people of New York City – and of every city represented here today – have the right to expect no less.

Almost a century ago, President Franklin Roosevelt explained that the very survival of democracy required that those of us in government “keep faith with those who had faith in us.” We must, all of us in this room, work every day to continue to keep that faith.

Thank you and if there’s time for questions I’m happy to answer them.

Indictments and criminal complaints are accusations. Defendants are presumed innocent until proven guilty.

The Department of Investigation partnered with Columbia Law School in 2013 to launch CAPI and create a resource center dedicated to bolstering municipal anti-corruption efforts, spur anti-corruption research, promote essential tools and best practices, and cultivate a professional network to share new developments and lessons learned.

*DOI is one of the oldest law-enforcement agencies in the country and New York City’s corruption watchdog. 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. DOI’s strategy attacks corruption comprehensively through systemic investigations that lead to high-impact arrests, preventive internal controls and operational reforms that improve the way the City runs.*

**DOI’s press releases can also be found at [twitter.com/doinews](https://twitter.com/doinews)  
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