



# NEWS RELEASE

From New York State Inspector General  
**Catherine Leahy Scott**

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## **NYS INSPECTOR GENERAL: ROCHESTER AREA CONTRACTOR AND STATE OFFICIAL DEFRAUDED THE STATE OF MORE THAN \$400,000 IN OVERBILLED CONTRACTS**

A Rochester area contractor, at times working together with a state engineer, overcharged the state by \$419,000 for work performed between 2006 and 2009, according to a [report](#) released by New York State Inspector General Catherine Leahy Scott. Glenn LeClaire, 58, principal of LeClaire-Fleming, a contractor based in Rochester and Sodus, NY, and John Hall, 58, a former engineer-in-charge working for the State Office of General Services (OGS) engaged in the fraudulent activity.

Inspector General Scott referred the matter to New York State Attorney General Eric Schneiderman in June 2012. In June 2013, Glenn LeClaire was arrested by the Office of the Attorney General (OAG). LeClaire pled guilty on May 9, 2014 to Grand Larceny in the 4<sup>th</sup> Degree. Today, the Defendant was sentenced to restitution in the amount of \$123,711.54, forfeiture in the amount of \$295,775.38, and five years probation, during which time he will be barred from contracting with New York State. All restitution and forfeiture has been paid in full.

“The public rightly expects that public officials and contractors who take advantage of New York taxpayers will be fully investigated and held accountable for any fraud perpetrated or crimes committed. OGS officials detected the misconduct and referred the matter to my office and the Office of the State Comptroller (OSC). The ensuing joint investigation found that LeClaire-Fleming overbilled OGS by \$419,000 for work performed at state prisons. Hall, as the engineer-in-charge, admitted to approving some of these overbillings, in exchange for personal gain. This flagrant abuse led to LeClaire and Hall’s convictions and restitution to New Yorkers.”

In August 2013, Hall was indicted and arraigned in Seneca County Court for his part in the scheme by approving fraudulent expense reports submitted to OGS on the LeClaire-Fleming contracts in exchange for benefits, including the receipt of construction and home improvement equipment and materials. On February 21, 2014, Hall pleaded guilty to one count of bribe receiving and one count of defrauding the government and agreed to restitution of \$52,285. Hall was sentenced on May 5, 2014 to six months in prison and paid the restitution in full.

The Inspector General’s office initiated the investigation in 2009 after OGS officials notified the Inspector General that their internal review of contract documents led them to suspect an overbilling had taken place. Working in concert with OSC and OGS, the Inspector General’s office examined 16 contracts between 2006 and 2009, most of which involved work performed at state correctional facilities.

The investigation revealed that LeClaire-Fleming, and the company’s principal, Glenn LeClaire, submitted fraudulent documents on emergency contracts seeking reimbursement for expenses not actually incurred or for expenses that were inflated. Specifically, the company and LeClaire:

- Submitted invoices that were entirely fictitious or contained costs inflated beyond the original invoice;
- Charged OGS labor hours for two and sometimes three projects for work seemingly conducted simultaneously;
- Over-billed labor hours to OGS;
- Over-billed and double-billed on different payment applications for equipment expenses claimed by both LeClaire-Fleming and a subcontractor working on a project; and
- Claimed charges related to Federal and State Unemployment Insurance taxes well beyond the required maximum percentage of the wages paid.

On a number of these projects, LeClaire also billed the state \$64,000 for work he claimed he did personally but which was not reimbursable under state contract provisions.

In total, LeClaire-Fleming and LeClaire, through these schemes, fraudulently sought more than \$419,000 in improper reimbursements from OGS related to these 16 contracts.

Inspector General Scott thanked OGS for referring the matter to her office and for its assistance in investigating this case. Additionally, she thanked OSC and the New York State Attorney General for their assistance in the investigation and prosecution of LeClaire and Hall.

Click [here](#) for a copy of Inspector General Scott's report.

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