



NEWS RELEASE

From New York State Acting Inspector General
Catherine Leahy Scott

**FOR IMMEDIATE RELEASE:
February 14, 2013**

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INSPECTOR GENERAL'S INVESTIGATION RESULTS IN DEPARTMENT CHANGES AND TIGHTER SECURITY AT STATE FAIR Prior Mismanagement Resulted in Flawed Procurements and Security Failures

A multi-faceted investigation into the New York State Fair has resulted in sweeping changes to the operation and oversight of the Fair. According to Acting State Inspector General Catherine Leahy Scott, the changes being implemented are both necessary and overdue: the Inspector General report released today is the second such report scrutinizing State Fair operations in just over two years.

“The New York State Fair is an institution that for more than a century has been an important summer attraction for millions of New Yorkers,” said Acting Inspector General Scott. “It has a longstanding and proud tradition of showcasing New York’s agricultural industry. My office's investigation revealed lapses and vulnerabilities which undermine that same, proud tradition. I am pleased that the Department of Agriculture and Markets accepted our recommendations and has taken steps to implement them and is continuing to address the problems identified.”

The Inspector General’s report documents findings of an agency's flawed procurement system, resulting in two defective procurements that violated the Department of Agriculture and Markets’ (Department) own procurement policies. The Inspector General found that Department officials, including former First Deputy Commissioner Robert Haggerty and former Fair Director Daniel O’Hara, conducted an improper Request for Proposal (RFP) process and ultimately gave the sole bidder more favorable terms than offered during the RFP. In a separate procurement process, Department officials allowed an electronic ticketing vendor to bid on an RFP when that vendor had assisted First Deputy Commissioner Haggerty in preparing the RFP, in likely violation of New York State Finance Law.

The Inspector General also conducted an assessment of the State Fair campus and identified areas of significant security lapses. In addition, the Inspector General discovered that two Fair employees were maintaining living and storage spaces on Fair grounds. In one case, an employee was found to reside in the racing stable office, keeping exotic pet birds on-site and storing enough belongings to fill six horse stalls and a pickup truck. In another case, an employee established quarters which featured a kitchenette that had a refrigerator containing alcoholic beverages, a couch, an inflatable bed, and a television. This conduct had been occurring for several years, with at least one supervisor aware since 2010. The Inspector General’s investigation uncovered significant management failures that enabled these security lapses to exist and persist.

The Inspector General has recommended that the Department take significant steps to address the issues uncovered in this investigation, including:

- Review all procurements;
- Train all agency staff on proper procurement procedures and ethics;
- Conduct periodic procurement audits, and thoroughly review State Fair management;
- Ensure implementation of inventory and security improvements; and
- Review the conduct of those responsible for the most recent procurement failures, and take appropriate action.

The Department of Agriculture and Markets has agreed to the Inspector General's recommendations and has taken and will continue to take comprehensive steps to implement the changes needed to address the concerns identified in the report. In addition, the Department terminated First Deputy Commissioner Haggerty and has replaced Fair Director O'Hara. Other implicated employees have been disciplined or are no longer employed by the Department.

The Acting Inspector General has referred her findings to the Joint Commission on Public Ethics and the State Fair Advisory Board.

A copy of the report can be found [here](#).

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