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Good

Excellent
100.

Eileen Valerio
Fraud Risk Assessment

The key to dealing with fraud is to focus on prevention. According to Dr. Donald Cressey, a well-known criminologist, three factors must be present in order for an ordinary person to commit fraud. The three factors are:

- Pressure - in almost every fraud case, the fraudster's financial problem relates to status-seeking or status-maintaining.
- Opportunity - the fraudster must see some way they can abuse their position of trust to solve their financial problem with a low perceived risk of getting caught.
- Rationalization - because the fraudster does not see themselves as a criminal, they must justify the crime to themselves in a way that makes it an acceptable or justifiable act.

Columbia University has had its share of significant frauds over the past few years:

- Fraud Suspects found guilty by Jury on August 8, 2012. ⁽¹⁾ Four men were convicted of stealing \$5.7 million in October and November 2010 by redirecting payments that were intended for NY Presbyterian Hospital. The fraud was enabled by an Accounts Payable clerk who worked at the University. The clerk had "the opportunity" to defraud the University as he had the ability to change the routing number for where electronic fund transfers were being sent. (1)
- John Bzdil pleads guilty on April 6, 2009. ⁽²⁾ Bzdil submitted phony invoices to the tune of more than \$180,000. He also had "the opportunity" as he was able to enter and approve his own invoices. (2)
- Bengu Sezen commits research fraud at the University for several years in the mid 2000's. This has resulted in research papers being retracted in which Sezen was involved. (3)
- NJ doctor sentenced for \$19 million dollar billing fraud in November 2013. The doctor was able to bill Medicare and Medicaid for more than \$75 million from 2005 to 2012. His "rationalization" was that all he wanted to do was to help patients. He said he didn't accumulate any wealth and put all the money back into his practice. (4)
- Eagle Two, a construction company certified through Columbia University's small business mentoring program accused of fraud in April 2013. The company submitted fake bids from affiliated companies to simulate competition. (5)

- Medicare Urology fraud at Columbia and New York Presbyterian Hospitals yields \$995,000 settlement. Between 2003 and 2009, Dr. Goluboff, a urologic oncologist, violated Medicare regulations by conducting medically unnecessary diagnostic tests and then seeking improper and excessive reimbursement. (6)

The physical controls assessment questions of the Fraud Assessment Tool are designed to assess the probability of a fraudulent event occurring within the organization based on physical controls in place to control access to accounting records and information and physical controls in place to protect the assets of the organization.

Before offering employment to an applicant, Columbia University conducts an employment background checks to identify dishonest or unethical behavior.

The University has a Code of Conduct as well as several handbooks, one for Faculty, one for Research and one for Administrators/ The Code of Conduct and the handbooks describes what unethical conduct is, as well as what is the punishment for unethical conduct.

The University has a whistleblower hotline and an ombudsman office in which unethical behavior can be reported. The hotline is anonymous but since the ombudsman office deals with human resource/employee issues, it is generally not anonymous.

Training is not mandated for anti-fraud topics; however the Internal Audit department conducts an annual risk assessment during which fraud is discussed with senior leaders of the University and conducts other fraud awareness training at the University.

The University does not always restrict access to areas containing sensitive documents and does not always maintain an audit trail of access. In certain situations, access to computer systems may not have been adequately protected. This could be due to inherent system limitations, excessive access being given to employees, a lack of segregation of duties, shared passwords, etc. Inventory and cash is generally well restricted.

The University uses CCTV in areas deemed necessary. Public Safety/Security personnel, along with departmental management are responsible for monitoring physical controls. Card swipe access must be appropriately authorized to allow access to restricted areas.

There are random, unannounced audits and cash counts performed by internal auditors and management

Incidents of suspected or reported fraud are investigated when reported.

Although on paper, Columbia University adheres to most of the recommendations/requirements in the Fraud Assessment Tool, there have been cases of fraud at the University over the years. In conclusion, in order for an organization to have an effective fraud program, the program must also remember to target the three elements of the fraud triangle. The organization must reduce the pressure on its employees. It must reduce the opportunity for an employee to commit a fraud and it must dispel the rationalization for the fraudulent behavior.



100

References

- 1 <http://www.businessweek.com/news/2012-08-07/columbia-university-fraud-suspects-fou...>
- 2 <http://fraudtalk.blogspot.com/2009/04/update-on-columbia-university.html>
- 3 <http://ktwop.wordpress.com/2011/08/02/bengu-sezen-a-master-of-fraud-at-columbia-university/>
- 4 <http://abcnews.go.com/US/wireStory/cardiologist-sentenced-record-19m-fraud-20949602>
- 5 <http://www.columbiaspectator.com/print/105618>
- 6 <http://www.forbes.com/sites/billingser/2011/10/06/medicare-urology-fraud-at-columbia-a...>

Financial Fraud -

How SABMiller Is Connecting With Africans



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Based on fraud below,
Columbia changed the
process in Vendor Management
via System controls to
prevent a reoccurrence
of fraud.

Bloomberg News

Columbia University Fraud Suspects Found Guilty by Jury

By Chris Dolmetsch August 08, 2012

Four men accused of the theft of more than \$5 million from New York's Columbia University were convicted of all counts against them after a jury trial, Manhattan District Attorney's Cyrus Vance Jr.'s office said.

George Castro, 50, of the Bronx, Walter Stephens Jr., 66, of Jersey City, New Jersey, Jeremy Dieudonne, 47, of Lawrence, Massachusetts, and Joseph Pineras, 35, of the Bronx, were convicted yesterday of grand larceny and other charges after a two-week trial before New York State Supreme Court Justice Robert Stolz in Manhattan.

The four men were accused of stealing \$5.7 million from the Ivy League school in October and November 2010 by redirecting payments from Columbia that were intended for New York Presbyterian Hospital. Pineras, an accounts payable clerk at Columbia, was the only defendant who worked for the university.

Story: How to Pick a Securities Fraud Jury When Everyone Hates Everybody

"Fraud by insiders against an institution dedicated to the public good is egregious and will be prosecuted vigorously by this office," Vance said in a statement. "Like so many cyber fraud cases my office prosecutes, this scheme was set in motion by an 'insider,' who made the larger theft of \$5.7 million possible."

Redirected Payments

Castro, Dieudonne and Stephens, with the help of Pineras' access to the school's vendor payment system, redirected payments for the hospital into a TD Bank account registered to IT & Securities Solutions LLC, a company formed by Castro, Vance's office said. Stephens was the chief financial officer and Dieudonne was an executive at IT, prosecutors said.

Castro withdrew more than \$800,000 in cash from the account and spent at least \$80,000 on an Audi Q7 and more than \$18,000 on products from Apple Inc., prosecutors said.

Story: Jordan Belfort, the Real Wolf of Wall Street

He sent money to other accounts in Stephens' name and to brokerage accounts controlled by himself and Stephens, and sent payments to a bank account in the name of Dieudonne Partners & Co., according to the statement.

Castro lost about \$400,000 trading on the two accounts, Vance's office said.

Castro was arrested in November 2010 outside his home with \$200,000 cash while entering his Audi, prosecutors said. Stephens was arrested in June 2011, Dieudonne was apprehended in Massachusetts the following month and Pineras was taken into custody in January.

Story: Attempt to Rehabilitate Chevron Judge Gets Very Weird

Sentencing Set

The four men face a maximum of 25 years in prison at sentencing, which is scheduled for Sept. 24.

The judge asked prosecutors to identify how much of the \$5.7 million has been recovered before the sentencing. Vance's office said at the time of Castro's arrest that at least \$4.1 million of the \$5.7 million had been identified, frozen or seized.

Pineras was freed on \$5,000 bail after the verdict while the other three men were remanded to jail pending sentencing, Vance's office said.

Story: The First Amendment Protection of Fortune Tellers

Attorneys for Castro and Stephens didn't return telephone messages seeking comment on the verdict. Dieudonne represented himself. Robert Hornsby, a spokesman for Columbia University, declined to comment in an e-mail.

"I was very disappointed, because, in my opinion, my client is innocent," Pineras' attorney, Robert Anesi, said in a telephone interview yesterday. "There was no corroboration of the testimony of his former coworker."

Former Co-Worker

The former coworker at Columbia, Moise Jean-Paul, who testified against the four men, pleaded guilty to grand larceny and agreed to cooperate with prosecutors in exchange for a recommendation of no jail time, Anesi said.

Story: SAC Capital's Guilty Plea: A \$1.2 Billion Fine, Nobody Goes to Jail

"The question is, whose version of the truth do you believe?" Anesi said.

Jean-Paul's attorney, Anthony Martone, didn't return a telephone message left at his office seeking comment on his client. Vance's office declined to comment on Jean-Paul's case, saying information about cooperators isn't public.

The case is People v. Castro, 11-02922, New York State Supreme Court, New York County (Manhattan).

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To contact the editor responsible for this story: Michael Hytha at mhytha@bloomberg.net.

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Financial Fraud

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FraudTalk is a blog focused on the review and discussion of recent significant cases of fraud, corruption and employee misconduct - particularly major embezzlement cases in the US. Fraud Talk is published by Marquet International Ltd., an international investigations, litigation support and due diligence firm. This blog is intended for attorneys, law enforcement, investigators, regulators and others interested in white collar fraud trends, enforcement and prevention.

MONDAY, APRIL 6, 2009

Update On Columbia University Embezzlement Case: Bzdil Pleads Guilty



John Bzdil III, 34, of Allentown, Pennsylvania, and the former manager of Columbia University's Pediatric Neurosciences Department of the Neurological Institute, pleaded guilty of defrauding the institution out of more than \$180,000. Bzdil submitted phony invoices for payment as part of the scheme, according to prosecutors. He also reportedly submitted

fraudulent reimbursement requests for items he purchased for his own personal use. Bzdil and his wife, Heather Brooke Rinehart, 28, were both charged last December in connection with the embezzlement. However the charges against her were dropped last month. He faces up to 20 years in prison, plus restitution and will be sentenced, June 25th.

Read *FraudTalk's* original post on this story [here](#).

Read the story [here](#) and [here](#).

Read the DOJ announcement [here](#).

Posted by [Chris Marquet](#) at 6:52 PM 

Labels: [embezzlement](#)

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The k2p blog

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opinions on energy, electric power, climate and environment

Bengü Sezen – A “Master of Fraud” at Columbia University

The case of fraud by Bengü Sezen a chemist at Columbia University goes back many years and was a **scandal in 2007** (<http://blog.chembark.com/2007/01/01/1012/>) and briefly reported back in December 2010 by **Retraction Watch**. (<http://retractionwatch.wordpress.com/2010/12/01/ori-comes-down-hard-on-bengu-sezen-columbia-chemist-accused-of-fraud/>)

Further details have now emerged from the Office of Research Integrity and are put together by **Chemical and Engineering News**

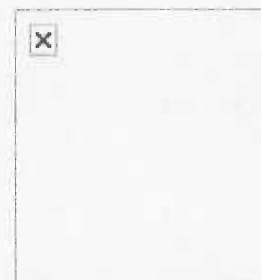
(<http://pubs.acs.org/cen/>) which “show a massive and sustained effort by Sezen over the course of more than a decade to dope experiments, manipulate and falsify NMR and elemental analysis research data, and create fictitious people and organizations to vouch for the reproducibility of her results.”



(<http://ktwop.files.wordpress.com/2011/08/bengu-sezen.png>)
Bengu Sezen

A Master of Fraud (MFr) and it strikes me that she could probably have achieved great things if she had spent half as much creativity in real research as she did in duping her peers. Fraud by correction fluid in the age of photo-shopping seems particularly ingenious!!

No doubt there are extenuating circumstances but for this deception to have continued for a decade does not do any credit to her supervisor Prof. Dalibor Sames. Whether Sames has been subjected to any sanctions by the University is not clear. His role has been the subject of many posts and one “**inside story**” is available here (<http://blog.chembark.com/2011/07/15/the-sezen-files-part-iii-and-what-of-sames/>).



Dalibor Sames: image njacs.org

The total number of papers retracted by Sames seems to be eight with Sezen involved in 6 of them.

C & EN carries the story (<http://pubs.acs.org/cen/news/89/i28/8928notw1.html>):

Bizarre new details of the **Bengü Sezen/Columbia University** (<http://www.columbia.edu/>) chemistry research fraud case are revealed in two lengthy reports (http://pubs.acs.org/cen/news/pdf/r_Bracher_11_107Responsive_Redacted.pdf) obtained by C&EN this week from the **Department of Health & Human Services** (<http://ori.dhhs.gov/>). The documents—an investigative report from Columbia and HHS’s subsequent oversight findings—show a massive and sustained effort by Sezen over the course of more than a decade to dope experiments, manipulate and falsify NMR and elemental analysis research data, and create fictitious people and organizations to vouch for the reproducibility of her results. Sezen was found guilty of 21 counts of research misconduct by the federal Office of Research Integrity (ORI), which is housed at HHS, in late 2010 (**C&EN, Dec. 6, 2010, page 10** (<http://pubs.acs.org/cen/news/88/i49/8849notw3.html>)). A notice in the Nov. 29, 2010, Federal Register states that Sezen falsified, fabricated, and plagiarized research data in three papers and in her doctoral thesis. Some six papers that Sezen had coauthored with Columbia chemistry professor **Dalibor Sames** (<http://www.columbia.edu/cu/chemistry/groups/sames/>) have been withdrawn by Sames because Sezen’s results could not be replicated. The ORI findings back Columbia’s own investigation.

The Sezen case began in 2000 when the young graduate student arrived in the Columbia chemistry department. “By 2002, concerns about the reproducibility of Respondent’s [Sezen’s] research were raised both by members of the [redacted] and by scientists outside” Columbia, according to the documents, obtained by C&EN through a Freedom of Information Act request. The redacted portions of the documents are meant to protect the identities of people who spoke to the misconduct investigators.

By the time Sezen received a Ph.D. degree in chemistry in 2005, under the supervision of Sames, her fraudulent activity had reached a crescendo, according to the reports. Specifically, the reports detail how Sezen logged into NMR spectrometry equipment under the name of at least one former Sames group member, then merged NMR data and *used correction fluid* to create fake spectra showing her desired reaction products.

The documents paint a picture of Sezen as a master of deception, a woman very much at ease with manipulating colleagues and supervisors alike to hide her fraudulent activity; a practiced liar who would defend the integrity of her research results in the face of all evidence to the contrary. Columbia has moved to revoke her Ph.D.

..... After leaving Columbia, Sezen went on to receive another Ph.D. in molecular biology at Germany’s Heidelberg University. At some point during the Columbia investigation, however, Sezen vanished, though some reports place her at Turkey’s Yeditepe University. Her legacy of betrayal, observers say, remains one of the worst cases of scientific fraud ever to happen in the chemistry community.

See also

Julia Wang’s – The Sames and Sezen case, 2007 (<http://yclept.ucdavis.edu/course/280/SamesSezenCase.pdf>)

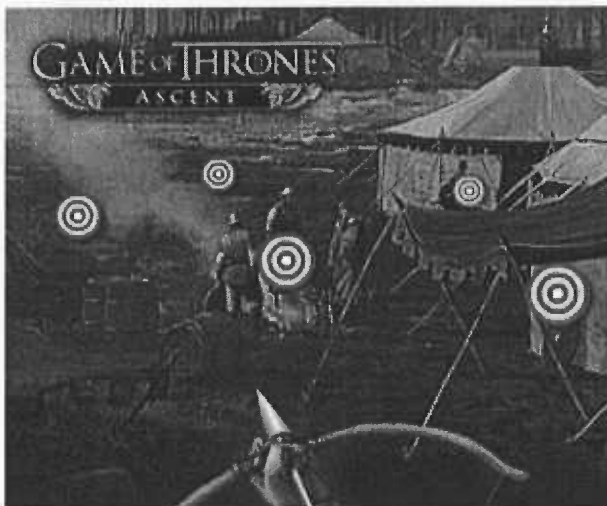
Chemical Villain of 2006: Dalibor Sames (<http://blog.chembark.com/2007/01/01/1012/>)

The Sezen Files – Part II: Unraveling the Fabrication (<http://blog.chembark.com/2011/07/08/the-sezen-files-%E2%80%93-part-ii-unraveling-the-fabrication/>)

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11/21/2013



Tags: [Bengü Sezen \(http://ktwop.wordpress.com/tag/bengu-sezen/\)](http://ktwop.wordpress.com/tag/bengu-sezen/), [Columbia University \(http://ktwop.wordpress.com/tag/columbia-university/\)](http://ktwop.wordpress.com/tag/columbia-university/), [Dalibor Sames \(http://ktwop.wordpress.com/tag/dalibor-sames/\)](http://ktwop.wordpress.com/tag/dalibor-sames/), [Master of Fraud \(http://ktwop.wordpress.com/tag/master-of-fraud/\)](http://ktwop.wordpress.com/tag/master-of-fraud/), [Scientific Fraud \(http://ktwop.wordpress.com/tag/scientific-fraud/\)](http://ktwop.wordpress.com/tag/scientific-fraud/), [United States Office of Research Integrity \(http://ktwop.wordpress.com/tag/united-states-office-of-research-integrity/\)](http://ktwop.wordpress.com/tag/united-states-office-of-research-integrity/)

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4 Responses to “Bengü Sezen – A “Master of Fraud” at Columbia University”

wolfie Says:

[August 3, 2011 at 7:44 pm](#)

Well, image blog.chembark.com is plainly wrong, it is from Columbia’s own website in 2005. She was the department’s visual spearhead, as I repeat here for the umpteenth time. What this means ? Think yourselves...

ktwop Says:

[August 3, 2011 at 9:10 pm](#)

Trying to read between the lines of Columbia’s investigation I get the hint of somebody being made a scapegoat for much wider misconduct.

Columbia University maintains a wall of silence around the Sezen – Sames case « The k2p blog
Says:

[August 15, 2011 at 9:14 pm](#)

[...] Bengü Sezen – Dalibor Sames scandal rumbles on while Columbia maintains a wall of silence around the case. But the silence [...]

icecrmnkd Says:

[September 9, 2011 at 10:05 pm](#)

It's amazing the amount deception that goes on at Columbia.

<http://www.fda.gov/ICECI/EnforcementActions/WarningLetters/ucm162944.htm>

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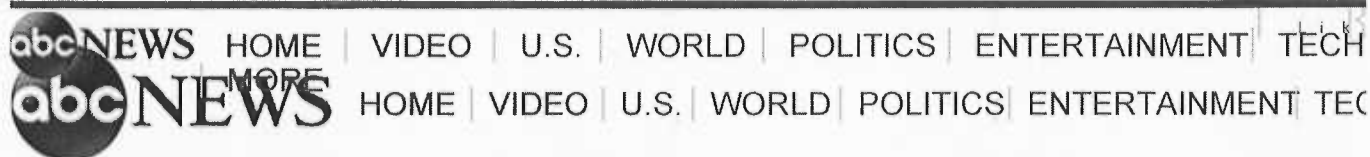
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Former NJ Doctor Sentenced for \$19M Billing Fraud

NEWARK, N.J. November 20, 2013 (AP)

By KATIE ZEZIMA Associated Press

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11

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The patients, most of whom were on Medicaid and Medicare, came into the medical offices of Jose Katz for checkups and consultations. The vast majority would leave with false diagnoses of coronary artery disease and debilitating angina and orders to undergo unnecessary tests.

Katz was sentenced Wednesday to 6½ years in federal prison for fraudulently diagnosing patients with heart ailments and ordering them to undergo tests, defrauding Medicare, Medicaid and private insurers of \$19 million.

Katz, once a prominent medical doctor with offices in northern New Jersey and New York City, pleaded guilty in April. He perpetrated a medical fraud so vast that "it boggles the mind," said Judge Jose L. Linares of U.S. District Court in Newark. Officials said it was the largest case of health care fraud ever by a practitioner in either state. Katz has lost his medical license.

Katz, 69, of Closter, N.J., spent more than two decades as a professor at Columbia University. Prosecutors said he would diagnose patients with heart conditions and order them to undergo a battery of tests, all of which he billed to the government or insurance companies.

Most patients were unnecessarily treated with enhanced external counterpulsation, or EECp, where electrodes are applied to a patient's chest and cuffs are wrapped around the lower limbs. The cuffs compress blood vessels to increase blood flow to the heart. Prosecutors said people with the potential for injury or death were subject to the tests, but lawyers said no one had any adverse reactions and no patients were harmed.

Prosecutors said Katz was able to bill Medicare and Medicaid more than \$75 million from 2005 to 2012. He was paid \$15.6 million for the mostly false EECp tests.

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 Katz, who also has a Ph.D. in physics, said he set up his practice after retiring from Columbia to help the Hispanic population of New York and New Jersey. Prosecutors said he spent nearly \$6 million in advertising, bringing in thousands of patients.

Patients were "herded in like cattle and subjected to an astonishing number of diagnostic tests, regardless of why they came to the doctor," said Assistant U.S. Attorney Scott B. McBride. "It was a mill."

A tearful Katz, slight and bespectacled, read a lengthy statement to Linares apologizing for what he did. Katz said he didn't accumulate any wealth and put all the money back into the practice. All he wanted, he said, was to help patients. Hundreds of colleagues and friends wrote letters on Katz's behalf, his attorney said. Dozens of supporters packed the courtroom.

"I didn't do it for money for myself," he said. "I wasn't thinking properly."

Katz said he was in over his head when it came to billing and running the sprawling businesses, Cardio-Med Services LLC, which had three offices in New Jersey, and Comprehensive Healthcare and Medical Services, which had two offices in New York City.

Though meek, Katz's statement was at times defiant, chastising prosecutors for relying on testimony from disgruntled employees and defending the medical use of EECF tests.

Katz was also accused of using a co-conspirator who had a medical degree but not a valid license to diagnose patients, forge Katz's signature and use his billing codes.

Katz also acknowledged defrauding social security from 2005 to 2012, when he kept his wife on the company's payroll, submitting false W-2 forms showing she made more than \$1.2 million. The false forms made her eligible for \$263,000 in fraudulent social security funds.

Katz was not ordered held. He must report to prison Jan. 13.

"It's very difficult for him to accept," said Katz's lawyer, Blair R. Zwillman. "And he's sorry."

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Fraudulent Bids - Facilities

Columbia suspends work with mentorship program-trained construction company being investigated for fraud

By
Finn Vigeland
April 20, 6:55am

Updated 4/23/12.

One of the construction companies certified through Columbia's small business mentorship program is being investigated for fraud, and the University has suspended it from consideration for contracts.

An audit by State Comptroller Thomas DiNapoli found that Eagle Two Construction submitted fraudulent bids for work at the State University of New York Downstate Medical Center in Brooklyn. The company submitted fake bids from affiliated companies to simulate competition and secure work.

Columbia describes itself as Eagle Two's "biggest client" on the University's website. Eagle Two owner Roxanne Tzitzikalakis went through the University's Construction Trades Management Certificate/Mentorship Program for minority-, women-, and locally-owned businesses, which seeks to help small-business owners compete for contracts at Columbia and around the city.

The audit also alleges that Tzitzikalakis' father, Demetrios—who had been convicted of grand larceny and falsifying records at a different company—was involved in Eagle Two's daily operations. Until DiNapoli's investigation is finished, Eagle Two will not be considered for Columbia contracts, a University spokesperson told Spectator on Friday.

"Eagle Two completed a rigorous application process to participate in the Columbia/NYC Department of Small Business Services contractor mentorship program," the spokesperson said in an email. "However, given the recent allegations, we have suspended the firm from future consideration pending the outcome of the State Comptroller's investigation."

The University prides itself on the mentorship program, which is in its fourth year. Participants have said they've expanded their businesses and become qualified enough to bid on competitive Columbia projects, with a few of them winning those bids.

After being certified by the mentorship program, Eagle Two replaced all the doors in Carman Hall when a new lock system was installed, renovated the King's College Room in Low Library, and replaced windows and a façade at University buildings on 112th and 113th streets.

In an undated article that appeared on the Columbia Facilities website through at least March 31, La-Verna Fountain—Columbia's associate vice president of construction business services and communications—is quoted as saying that Eagle Two, having gone through the mentorship program, "used the opportunity to deliver great service to Columbia and has since established a great relationship with the University." The article was no longer available as of Friday morning.

Eagle Two's relationship with Columbia "expanded as a result of the company's participation in the mentorship program," according to a Google Cache version of the article.

Tzitzikalakis established Eagle Two in 1999 with two other employees and used contacts from her father's company to take on projects valued at less than \$5,000, according to the article. The company grew, and it now operates as a general contracting firm, managing renovations that cost up to \$1 million.

Eagle Two's connection to an ex-convict echoes a concern that some had raised about Breeze National, a company overseeing demolition for the Manhattanville campus expansion. Breeze's former vice president was convicted on federal bribery charges in 1988 and found to have ties to an Italian mob family.

In March, Breeze employee Juan Ruiz died after a beam collapsed during a planned demolition. Just weeks earlier, the city's Department of Buildings had issued Breeze two violations associated with that demolition site—one for failure to safeguard and for a lack of safety harnesses, and one for failing to inform the DOB that the demolition was underway.

Last month, a Breeze spokesperson dismissed the company's connection to the Lucchese mob family and attributed the beam's collapse not to safety oversights but to an unusual, latent condition in the 100-year-old beam.

Additionally, Felix Associates, a Bronx-based, minority-owned firm that once did utility work on the Manhattanville construction site, was found to be involved in "bribery and kickback schemes" with several Consolidated Edison employees in 2009 and 2010, according to a state Department of Public Service report. Contractors at Felix target= _blank>artificially raised the cost of several Con Ed construction projects around New York and split the profits with the Con Ed employees.

As recently as January, Par Wrecking was listed on the Columbia website as working on abatement and demolition with Breeze in Manhattanville. In 2010, the United States Attorney's Office found that Par had paid over \$35,000 in cash to an associate of the Gambino crime family to use non-union labor on a Newark, NJ. construction project.

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Correction: An earlier version of this story reported that Eagle Two was currently employed on the Manhattanville project. In fact, the company has been employed by the University in the past and was trained through the University's small-business mentoring program, but is not currently working on Manhattanville. Spectator regrets the error.

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UPDATE: Medicare Urology Fraud At Columbia and New York Presbyterian Hospitals Yields \$995,000 Federal Settlement

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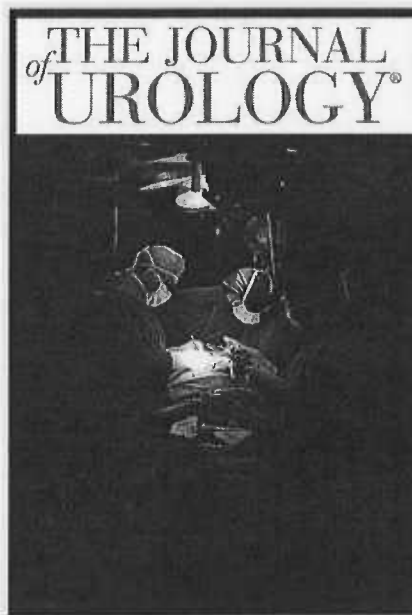
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On October 5, 2011, Manhattan U.S. Attorney Preet Bharara announced the simultaneous filing of a Complaint and a settlement of the charges in a civil health care fraud lawsuit against :

- **The Trustees Of Columbia University** ("Columbia"),
- **New York Presbyterian Hospital** ("Presbyterian Hospital"), And
- **Dr. Erik Goluboff** ("Dr. Goluboff").

Dr. Goluboff is a urologic oncologist, former Director of Urology at the Allen Pavilion of the New York Presbyterian Hospital, and former Associate Professor of Clinical Urology at the College of Physicians and Surgeons of Columbia University.

The Complaint alleges that between 2003 and 2009, Dr. Goluboff violated Medicare regulations by conducting medically unnecessary diagnostic tests and then seeking improper and excessive reimbursement amounts from Medicare. Moreover, Dr. Goluboff was charged with submitting bills for a



A prosecutor's urology examination will only cause about \$995,000 worth of pain -- now, cough

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Bill Singer

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I'm a thirty-year veteran of Wall Street and an outspoken critic of ineffective regulation and an advocate for economic and political sanity. Following a career as an in-house lawyer and industry regulator, I am now in private practice representing member firms, registered persons, Whistleblowers, and defrauded investors. I publish the RRBDlaw.com and the BrokeAndBroker.com websites.

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SIDE BAR: Columbia University Medical Center / New York-
 Presbyterian Hospital's online profile of Dr. Goluboff, states that "Since
 Dr. Goluboff began leading the urology service at the Allen Pavilion in
 1998, it has grown astronomically . . ."

The Complaint did not solely single out Dr. Goluboff but further alleged that
 rather than having been unwitting participants in this scheme, Columbia and
 Presbyterian Hospital were aware of his fraudulent practices, failed to stop
 those practices, and caused his claims to be submitted to Medicare.

Pointedly, an internal Columbia memo characterized Dr. Goluboff's conduct
 as "alarming compliance issues." Despite having known or at least having
 been on notice of these alarming issues, it does not appear that substantive
 steps were taken by the hospitals to shut down any of the cited fraudulent
 practices. Consequently, it is alleged that Columbia and Presbyterian
 Hospital benefitted financially from the fraud.

The settlement, approved by the federal court on October 4th, required
 Columbia to pay \$995,000 in civil damages under the False Claims Act.

For additional Medicare fraud cases, READ UPDATE

In response to the initial posting of this article, I received an email from Doug
 Levy JD MSJ Executive Director, Communications & Public Affairs, Columbia
 University Medical Center. In pertinent part, the message from Columbia
 notes that

“ Columbia University Medical Center has agreed to settle a civil lawsuit brought against it by
 the United States Attorney's Office for the Southern District in New York in connection with
 billings to Medicare for urology services provided by one former Columbia physician
 between 2000 and 2010 at the Allen Hospital, a facility in Upper Manhattan. There is no
 finding of wrongdoing. The settlement avoids protracted litigation.

After a thorough investigation, the government has released the University and its
 employees with respect to all of the government's civil claims involving billing for urology
 services at the Allen Hospital. In return, Columbia will pay \$995,000 to the government for
 services that the government claimed were improperly billed. The issues raised by the
 government in this case primarily relate to proper billing documentation. . .

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