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## **Draft report: SUNY Research Foundation misused millions of dollars**• 10.17.12

## http://taxes.lohudblogs.com/tag/judith-kaye/

The Times Union of Albany reports today that a draft of a state audit on the Research Foundation of the State University of New York found that millions of dollars were "mishandled, misspent or misused."

The Research Foundation oversees roughly \$1 billion in revenues for research at SUNY. The draft audit, which was obtained by the Times Union, is expected to be released within a week, the newspaper said.



The audit started soon after the state <u>Commission on Public Integrity charged</u> that now-former Research Foundation President John J. O'Connor had unlawfully permitted Susan Bruno (the daughter of former Senate Majority Leader Joseph Bruno of Rensselaer County) to work in a foundation job "for which she was not qualified, in which she performed little or no work and in which she rarely, if ever, came to the office." It covers the period July 1, 2008 to Jan. 31, 2012.

The foundation account for SUNY Chancellor Nancy Zimpher (pictured here) includes \$28,000 in apparent personal expenses, such as private club memberships. "SUNY hosts events to engage stakeholders and supporters that may include food and beverage," Zimpher spokesman David Doyle told the Times Union. "The expenditures cited in the draft report were reasonable and for legitimate SUNY business, and were not personal in nature."

## Other findings in the report:

- —The Research Foundation paid a total of \$3 million for 10 contracts for which there was a potential conflict of interest and policy violations. That includes a \$913,000 investigation of Binghamton University's basketball program for the SUNY Board of Trustees. <u>Judith Kaye, New York's former chief judge, led the probe</u> for the law firm Skadden, Arps, Slate, Meagher & Flom LLP and Affiliates.
- —Edward H. Turkle III, who was fired early this year as the Research Foundation operations manager at Buffalo State, charged \$130,887 to his foundation credit card for questionable items such as a four-day trip to Bangkok for him and his wife that was not related to SUNY work, an iPad, iPhones, high-end dining and hotels and season tickets to the Buffalo Sabres.

Tags: <u>Chancellor Nancy Zimpher</u>, <u>Commission on Public Integrity</u>, <u>David Doyle</u>, <u>Edward H. Turkle III</u>, <u>John J. O'Connor</u>, <u>Joseph Bruno</u>, <u>Judith Kaye</u>, <u>Research Foundation of the State University of New York</u>, <u>Susan Bruno</u>, <u>Times Union</u>