



New York City Comptroller
Scott M. Stringer

NEWS

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Contact: Eric Sumberg, (212) 669-3535, esumberg@comptroller.nyc.gov

**COMPTROLLER STRINGER: QUEENS LIBRARY EXECUTIVES CUT
BRANCH HOURS WHILE RAISING THEIR OWN SALARIES &
SQUANDERING HUNDREDS OF THOUSANDS ON BOOZE, DINNERS,
ENTERTAINMENT & OTHER PERSONAL**

*Findings referred by Comptroller's Newly-Formed Investigation Unit to Law
Enforcement and IRS*

(New York, NY) – Former Queens Borough Public Library (QBPL) CEO and President Thomas Galante and other Library executives spent over three hundred thousand dollars on prohibited items such as extravagant meals for themselves and QBPL board members, alcohol, Apple TVs, smokeless ashtrays, airline upgrades, and tickets to rock concerts and Disneyland, all while claiming that the Library was running a deficit, according to an [audit](#) and separate [investigative report](#) released today by New York City Comptroller Scott M. Stringer.

The story of financial abuse at the Queens Borough Public Library revolves around a series of funds that were hidden from public scrutiny due to a stipulation that prevented the Comptroller's office from looking at any QBPL financial records other than two funds the Library claimed contained City money. In 2014, Comptroller Stringer sued in Queens Supreme Court to invalidate the stipulation, which had been put in place by a previous administration. However, the need for this legal action was eliminated in December 2014 when a newly constituted QBPL Board of Directors fired Galante, and voted to give the Comptroller's office full access to the Library's financial records.

With this unlimited access, the Comptroller's office was able to conduct a full audit and investigation of the Queens Borough Public Library for the first time in nearly two decades. The results of the investigation have been referred to the IRS and law enforcement authorities.

“Once we were able to look at all of the Library's accounts, our audit and newly-formed investigative team uncovered a sickening track record of waste, fraud and abuse,” Comptroller Stringer said. “Tom Galante used the Queens Library as his personal piggybank, charging the public for outrageous expenses including endless rounds of drinks, extravagant dinners, and concert tickets.”

Budgetary Shell Game

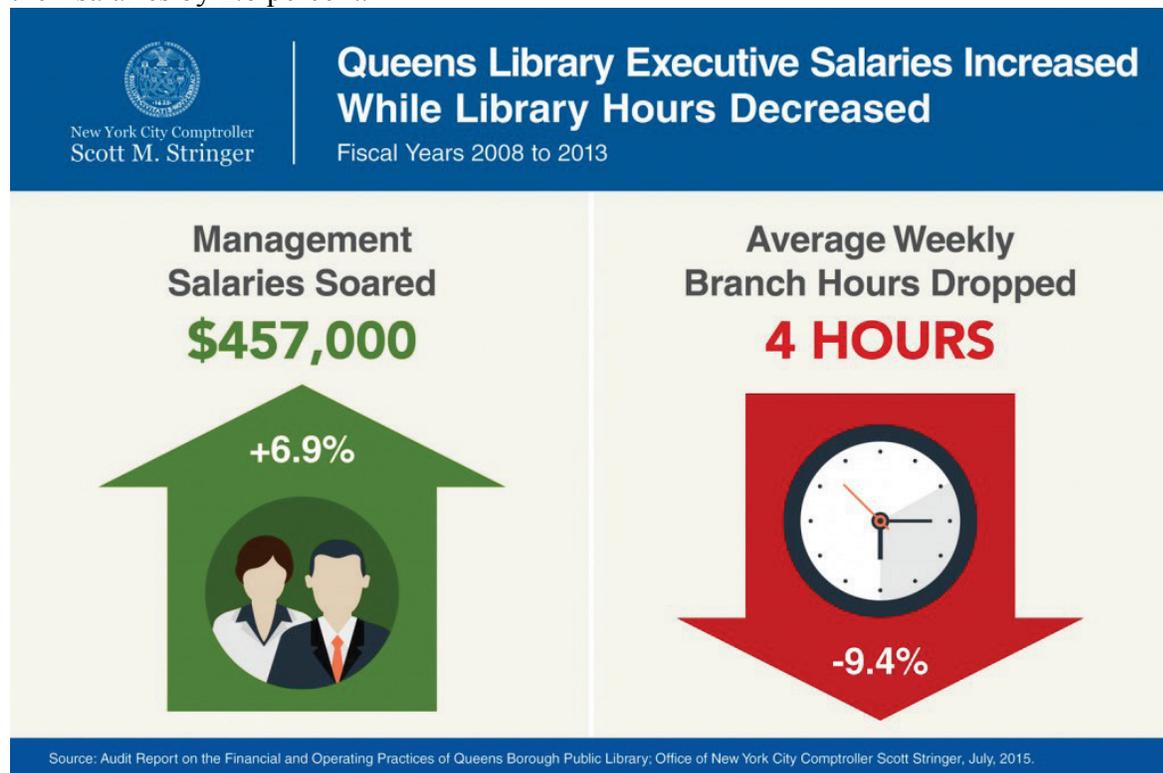
The audit found that QBPL staff played a shell game with City funds, drawing down accounts open to public scrutiny, while squirreling away money elsewhere:

During Galante's tenure, the Library charged nearly all of its operating expenses to the Library's internal 'City Fund' account which was subject to oversight by the Comptroller's office. As a result, from FY 2008 to FY 2013 the Library appeared to run deficits that ranged from \$5.7 million to \$6.9 million, enabling Galante to go before the City Council and plead for more funds. In reality, the Library had anywhere from \$17 to \$27 million in unrestricted funds in its fines and fees, state and board designated funds over the same period.

QBPL executives could have drawn upon these 'hidden funds', some of which had previously not been subject to the Comptroller's oversight. Instead, they used the funds in part to pay for a wide range of inappropriate expenses.

At the same time they were improperly spending public funds, from FY 2008-2013, the Library was eliminating services to the reading public, cutting operating hours of Queens branches by an average of 4 hours per week.

During that same time period, QBPL executives made sure that their own incomes increased, with executive compensation growing by 6.9 percent even as they cut QBPL services staff and their salaries by 2.8 percent.



The audit and investigation found that the Library board allowed its two most senior executives to rack up hundreds of thousands of dollars in prohibited credit card expenses, permitted the CEO to work dozens of hours per week at a second job, and failed to disclose income on the CEO's and current interim-CEO's tax forms:

From July 2007 to December 2013, CEO Thomas Galante made \$670,000 in credit card charges that were never approved by the Library's board or Chief Financial Officer.

From FY 2012-2014 CEO Galante and then-Chief Operating Officer Bridget Quinn-Carey incurred more than \$310,000 in expenses that violated the Library's Credit Card, Travel, and/or Purchasing Policy (roughly \$260,000 of which were incurred by Galante).

Prohibited items included:

\$1,962 spent for tickets to a Maroon 5 concert which were intended to be given away as “employee appreciation” gifts but were eventually used by Galante, two other senior QBPL executives, and a fourth individual who the Library could not identify.

\$45,792 spent for meals attended by the Board on food and alcoholic beverages over the course of three years.

\$4,700 for an executive retreat in Connecticut, including \$360 that Galante spent on liquor for the event.

\$22,800 for furniture in Galante’s office and a smoking deck.

Nearly \$1,000 in airplane seat upgrades.

Other inappropriate charges included payments for parking tickets, specialty ashtrays, tickets to Disneyland and a satellite radio.

Expenses for which Library executives may owe personal income tax included:

\$100,000 in potentially taxable income on Galante’s credit cards including extravagant dinners, lunches and coffees, unreported fuel usage and entertainment electronics.

More than \$16,000 on then-COO Quinn-Carey’s credit card for similar charges.

Potentially fraudulent expenses included:

Multiple fuel charges on Galante’s credit card in a single day, suggesting that cars besides the CEO’s had been filled up.

Three different bills for liquor, totaling \$81.25, which were charged late at night in the Seneca Niagara Casino, and listed as ‘meetings.’

\$1,692 charge for dinner listed as being with City officials where the CEO’s personal calendar suggests the CEO’s son was in attendance.

\$200 for two Apple TVs, purportedly for use in Mr. Galante’s ‘home office.’

“The conduct of Tom Galante was absolutely appalling,” Stringer said. “The Queens Library, once held up as a paragon for what an urban library system can be, was used for personal profit and pleasure. There’s no excuse for what went on here and Tom Galante should be held accountable for every cent he improperly spent. As for the former COO, and current interim CEO and President, Bridget Quinn-Carey, her financial conduct raises serious questions as to whether she should remain in a leadership position with the library. I urge the current board to review the matter immediately.”



New York City Comptroller
Scott M. Stringer

More than \$300,000 Spent on Prohibited Items

Fiscal Year 2012 - 2014

**\$366 in Booze
for "Management
Planning Session"**



Management Planning Session

Al's Warehouse #2
610 main ave
Norwalk, CT 06854
(203) 847-3276

Transaction

21133	UNIT ZACCAGNINI PINOT GRIGIO		
1	750ML @ \$14.99	\$14.99	
26522	UNIT TWO HANDS BELLAS GARDEN SH		
1	750ML @ \$65.99	\$65.99	
21133	UNIT ZACCAGNINI PINOT GRIGIO		
1	750ML @ \$14.99	\$14.99	
12622	UNIT TITO'S VODKA 750ML		
1	750ML @ \$20.99	\$20.99	
26447	UNIT CANTINA ZACCAGNINIPINOTGRI		
1	750ML @ \$14.99	\$14.99	
27051	UNIT MUJA RIQJA		
1	750ML @ \$12.99	\$12.99	
11744	UNIT JOSE CUERVO TEQUILA GOLD 7		
1	750ML @ \$21.99	\$21.99	
12047	UNIT HIRAM WALKER TRIPLE SEC 75		
	750ML @ \$10.99	\$10.99	
	UNIT TANQUERAY GIN LONDON DRY 1		
	1L @ \$26.99	\$26.99	
	UNIT KRAKEN BLACK SPICED CARIBB		
	750ML @ \$20.99	\$20.99	
	UNIT MARTINI&ROSSI EXTRAORDY		
	750ML @ \$7.99	\$7.99	
	UNIT ROSE'S LIME JUICE		
	1L @ \$6.99	\$6.99	
	PACK CORONA EXTRA		
	120Z @ \$13.99	\$13.99	
	PACK DEPOSIT		
	120Z @ \$0.60	\$0.60 DEP	
18119	PACK NEWCASTLE BROWN ALE 6PK		
1	120Z @ \$8.99	\$8.99	
18119	PACK DEPOSIT		
1	120Z @ \$0.30	\$0.30 DEP	
25925	PACK BROOKLYN PALE ALE 6PACK		
1	120Z @ \$8.99	\$8.99	
25925	PACK DEPOSIT		
1	120Z @ \$0.30	\$0.30	
18119	PACK MAGIC HAT CIRCUS BOY 120Z		
1	120Z @ \$8.99	\$8.99	
1	PACK DEPOSIT		
	120Z @ \$0.30	\$0.30 DEP	
18119	PACK ANCHOR STEAM BEER 6PK		
1	120Z @ \$10.99	\$10.99	
1	PACK DEPOSIT		
	120Z @ \$0.30	\$0.30 DEP	
	UNIT SCHWEPES TONIC WATER		
1	1L @ \$1.89	\$1.89	
16486	UNIT DEPOSIT		
1	1L @ \$0.05	\$0.05 DEP	
16486	UNIT SCHWEPES TONIC WATER		
1	1L @ \$1.89	\$1.89	
16486	UNIT DEPOSIT		
1	1L @ \$0.05	\$0.05 DEP	
16486	UNIT SCHWEPES TONIC WATER		
1	1L @ \$1.89	\$1.89	
16486	UNIT DEPOSIT		

Source: Audit Report on the Financial and Operating Practices of Queens Borough Public Library; Office of New York City Comptroller Scott Stringer, July, 2015.

Double Dipping at Elmont

From December 2010 to February 2014, Galante billed Long Island's Elmont Union Free School District more than 20 hours per week for his work as a 'consultant' while at the same time being paid for working 40 hours per week at the Queens Borough Public Library. While the consulting agreement was permitted, it is questionable whether Galante could have worked the amount of time that he alleged.

From 2005 to 2014, Elmont paid Galante between approximately \$150,000 and \$200,000 annually at an hourly rate that topped \$187 by 2013. The Comptroller's investigators identified more than 100 days in which Galante claimed to have worked five or more hours for Elmont while working full days for the Library. For 11 days in 2012, Galante attended an international library conference in Barcelona, Spain and reported consulting for Elmont on 10 of those 11 days for a combined 65 hours of billable hours.

Failure to Disclose Business Ties

Galante is also the principal owner of three businesses, information that he repeatedly failed to disclose on City integrity forms. He eventually disclosed this information, along with a federal tax lien against him and his spouse, after he became aware that he was under investigation. Galante's contract with the Library permitted him to work for Elmont, but not for any other outside organization, and so additional work done for his three companies would constitute breach of contract.

"Now that Tom Galante is gone and new board members have been put in place, it is my sincere hope that the long years of misconduct have finally come to an end, and that the Queens Library system will be run for the benefit of all the borough's citizens, and not for the benefit of a few unscrupulous individuals," Stringer said.

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