



Department of Justice

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NEW CASTLE COUNTY MAN SENTENCED FOR THEFT OF DELAWARE HOSPICE FUNDS

Information Technology Director Receives 22 Months Imprisonment

David C. Weiss, United States Attorney for the District of Delaware, announced today that Paul Cornish, age 34, of New Castle, was sentenced on September 15, 2009 by United States District Court Judge Joseph J. Farnan, Jr. to 22 months of imprisonment, a term of supervised release and a requirement that he pay \$259,903.08 in restitution. Mr. Cornish had been indicted by a federal grand jury on January 15, 2009 and was charged with six counts of mail fraud, in violation of 18 U.S.C. § 1341. The Indictment accused Mr. Cornish of defrauding his former employer, Delaware Hospice, out of hundreds of thousands of dollars. Mr. Cornish pled guilty to one count of mail fraud in May 2009, when he admitted to his criminal scheme.

Mr. Cornish served as the Information Technology director for the Delaware Hospice from January 2007 through May 2008. In that role, he was one of the top administrators at the Hospice and was the main person authorized to spend Hospice funds for the purchase of electronic equipment. During nearly the entire length of his employment, he engaged in a scheme to defraud the Hospice, a nonprofit hospice organization that provides critical palliative care to individuals with a limited life expectancy, and offers assistance to those individuals' families and care givers.

As part of his scheme, Mr. Cornish placed various orders on behalf of the Hospice for large amounts of electronic equipment, which was in turn delivered to Hospice offices. These electronic equipment orders included orders for large numbers of laptop and handheld computers, which, pursuant to invoices submitted by the defendant, were paid for by the Hospice.

The Hospice never actually used the equipment. Instead, the defendant removed the equipment from the Hospice and used it for his own selfish purposes – in many cases, selling the equipment to third parties and keeping the money he received for himself. When questioned about the deliveries by Hospice staff, Mr. Cornish made a number of knowingly false statements about the deliveries. For example, he told some Hospice staff members that the deliveries related

to a “side business” that he was running on his own, and told others that some of the items had been delivered by mistake and that he had returned those items, when he had not. He also made false claims to the Hospice’s insurance company, who was investigating these missing items, claiming that he had no role in their disappearance.

Mr. Cornish also created various types of fraudulent documents that made it appear as if the electronic equipment was located at the Hospice, or had been returned to the supplier, when that was not the case. In addition, he created a false e-mail, purportedly from the Hospice’s supplier of computer equipment, that made it appear as if some of the equipment had been returned to the supplier, when it had not.

In total, the defendant converted approximately \$250,000 worth of electronic equipment purchased by the Hospice for his own personal gain and caused various other financial losses to the Hospice due to his scheme.

United States Attorney David C. Weiss said: “Any type of financial fraud committed in Delaware is serious, as it affects both our local community and our economy. But this type of theft – stealing from a non-profit organization that provides health care to the seriously ill and most vulnerable – is particularly egregious. We are pleased with the Court’s sentence and believe it will send a strong message: that theft from this type of critical community organization will not be tolerated and that violators will be prosecuted to the fullest extent of the law.”

The case was investigated by the Delaware State Police and the United States Secret Service and was prosecuted by Assistant United States Attorney Christopher J. Burke.

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