

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA :

v. : Criminal No. 00 Cr. 1194

STEPHEN SAVOY, : Date: 1/8/01

Defendant. : Violation: 18 U.S.C. § 371

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INFORMATION

The United States of America, acting through its attorneys, charges:

1. Stephen Savoy ("Savoy") is made a defendant on the charge stated below.

I. THE RELEVANT PARTIES AND ENTITIES

During the period covered by this Information:

2. Savoy resided in New York, New York. Savoy was employed as the purchasing manager for the Queens Village Committee for Mental Health for Jamaica Community Adolescent Program, Inc. ("J-CAP"). J-CAP was a not-for-profit organization that provided both residential and outpatient drug and alcohol treatment services at four facilities located in Queens, New York. Savoy had primary responsibility at J-CAP for purchasing most goods and services, including food, meat, office supplies, and printed materials.

3. J-CAP received a significant portion of its funding from the State of New York Office of Alcoholism and Substance Abuse Services ("OASAS"). As a

condition of that funding, OASAS required J-CAP to solicit at least three competitive bids before it purchased any items which, in the aggregate, totaled at least \$3,000 during any 60-day period.

4. Whenever in this Information reference is made to any act, deed, or transaction of any corporation, such allegation shall be deemed to mean that the corporation engaged in such act, deed, or transaction by or through its officers, directors, agents, employees, or other representatives while they were actively engaged in the management, direction, control, or transaction of its business or affairs.

5. Various persons and firms, not made defendants herein, participated as co-conspirators in the offense charged herein and performed acts and made statements in furtherance thereof.

II. DESCRIPTION OF THE OFFENSE

6. From approximately December 1989 and continuing until approximately April 2000, the exact dates being unknown to the United States, the defendant and co-conspirators did unlawfully, willfully, and knowingly conspire, combine, confederate, and agree to (a) defraud J-CAP; (b) obtain money and property from J-CAP by means of false and fraudulent pretenses, representations, and promises; and (c) deprive J-CAP of its right to the honest services of Savoy, which scheme and artifice was executed by and through the use of the United States mails, in violation of Title 18, United States Code, Sections

1341 and 1346, all in violation of Title 18, United States Code 371.

III. THE MANNER AND MEANS BY WHICH THE CONSPIRACY
WAS CARRIED OUT

The manner and means by which the conspiracy was sought to be accomplished included, among others, the following:

7. During all or some of the period from approximately December 1989 until approximately April 2000, Savoy received approximately \$128,000 in cash kickbacks from employees of four companies that were vendors to J-CAP, as described below. Each of these vendors paid kickbacks calculated according to a percentage, usually 5%, of the total value of orders delivered to J-CAP. The vendors paid kickbacks in order to ensure that Savoy would continue to allocate to them contracts awarded by J-CAP. Typically, the vendors mailed invoices to J-CAP's headquarters in Queens, New York and J-CAP mailed checks to them as payment for those invoices. In exchange for the kickbacks, Savoy did not seek out alternate suppliers and failed to comply with the competitive bidding requirements imposed by J-CAP and OASAS.

(a) Beginning in approximately December 1989 until approximately April 2000, employees of Jitney, Ltd. ("Jitney"), a supplier of food and related products located in Richmond Hills, New York, paid monthly cash kickbacks to Savoy. These payments increased over time as Jitney's volume of sales to J-CAP increased. From December 1989 until approximately September 1993, Savoy

received approximately \$7,000 in cash kickbacks from employees of Jitney. From approximately October 1993 until April 2000, Savoy received cash kickbacks from Jitney employees averaging approximately \$750 per month. Towards the end of this latter time period, Savoy received cash payments that exceeded \$1,000 per month.

(b) From approximately 1994 until approximately September 1998, Savoy received cash kickbacks of approximately \$750 per month from employees of Loeb & Mayer, Inc. ("Loeb & Mayer"), a meat supplier located in Arverne, New York.

(c) From approximately 1994 until approximately late 1997, Savoy received approximately \$2,100 per year in cash kickbacks from Leonard Martin Office Products, Inc. and Leonard Martin Business Systems, Inc., suppliers of office supplies and printed materials.

(d) From approximately February 1998 until approximately June 1999, Savoy received cash kickbacks of approximately \$750 per month from an independent sales representative affiliated with a food supplier located in the Bronx, New York.

IV. OVERT ACTS

In furtherance of the conspiracy, and to effect the objects thereof, the following overt acts were committed in the Eastern District of New York and elsewhere:

8. On numerous occasions between approximately December 1989 and approximately April 2000, co-conspirators paid Savoy cash kickbacks at various locations in the Eastern District of New York, including a diner located in Queens, New York.

9. On numerous occasions between approximately December 1989 and approximately April 2000, co-conspirators mailed invoices for goods delivered pursuant to the conspiracy to J-CAP's headquarters in Queens, New York, and J-CAP, in turn, mailed checks to the co-conspirators as payment for those invoices.

IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION 371

Dated:

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