



The Hunterdon County District S.P.C.A.

INCORPORATED
576 STAMETS ROAD, MILFORD, NEW JERSEY 08848
Telephone: 908-996-2525
Fax: 908-996-4909

February 20, 2001

ILANA N. SAROS, Esq.
N.J. Commission of Investigation
P.O. Box 045
Trenton, New Jersey 08625

RECEIVED
201 FEB 26 AM 10:39
NEW JERSEY
COMMISSION OF
INVESTIGATION

DEAR MS. SAROS:

We have received a copy of the Commission's report concerning the Hunterdon County S.P.C.A. and we would like to make three comments.

1. A decision was made some time ago to not hold meetings in January or February unless there was a situation that required a Board vote, that a special meeting would be called. This decision was made after a Board member had car trouble and waited a long time in freezing weather for help. We are in a rural area with many sparsely traveled roads.

2. Our income depends on the generosity of donors and is not controllable. Our expenditures and income are constantly monitored. A budget would be a paper function that has little merit in our operation. We simply failed to make the change in our by-laws eliminating the budget requirement. This will now be done.



3. We have always had a certified Public Accounting Firm audit our Financial Records. Palmer and Company, Chase, Sarkow & Co. Witham, Smith & Brown are all certified Public Accountants. The scope of our audits were based on the requirements of the N.J. Div. of Consumer Affairs Charitable Registration Section.

Very truly yours,
Theresa Carlson
President

**Middlesex County S.P.C.A.
F2-B Brier Hill Court
East Brunswick, NJ 08816**

February 16, 2001

Ileana N. Saros, Esq.
State of New Jersey
Commission of Investigation
P.O. Box 045
Trenton, NJ 08625-0045

RE: Middlesex County SPCA
Notice of Proposed Report

Dear Ms. Saros:

The Middlesex County SPCA is in receipt of the Commission's Proposed Report.

The Board of Directors has reviewed the report and submits the following response:

1) As the report notes, Officer Robert LaCour did discharge his weapon. However, the report does not note that Mr. LaCour was disciplined for this action and dismissed from Law Enforcement.

2) The report mentions "seven of the 30 in the Middlesex County society conducted 53% [text deleted]." All members of the Society are not qualified to conduct investigations. The Middlesex County society only has eight (8) members that have undergone our rigorous training and qualified to become law enforcement officers. These are the only members allowed to conduct investigations.

3) As to the wearing of uniforms and other evidence of a "police mentality", it should be noted that the SPCA enforces the laws contained in N.J.S.A., Title 4, animal cruelty. The law enforcement branch of the organization conducts investigations, issues summonses and regularly testifies in court in support of those summons. It clearly is a quasi-police force and therefore follows the proven methods developed for other law enforcement organizations. This is the only way to maintain the proper appearance, discipline and efficiency necessary to enforce the law and to protect the safety of the public and the officers involved.

4) The By-laws have been in the process of being amended to include the fact that we no longer have a shelter, as well as to clarify some items and correct spelling and grammatical errors. This review and revision of the by-laws is ongoing and was initiated prior to the SCI investigation.

5) The core officers of the Board of Directors has remained the same for almost the last decade. It has been the decision of the general voting membership to keep the same members of the Board of Directors. Open elections are held in January of each year with three of the Board seats available to any voting members desiring to serve. Anyone desiring to run for a seat on the Board gives their name to the Nominating Committee or the secretary and is then listed on the ballot. There are always two more names on the ballot than seats available. Other members besides those presently serving have chosen to run, but have not received enough votes to be elected.

6) The number of hours required for the Auxiliary Police Academy is incorrect. The correct figure is 156 hours as can be seen on the attached Schedule.

7) The report states that the lieutenant also serves as acting chief, which is incorrect. The report also states that the president imposed a rule that no more than 10 officers may carry guns. This rule was imposed by the Board of Directors in an effort to keep down the cost of liability insurance.

8) The Board has had to deal with the issue of the many outstanding fines which have not been collected by the various municipal courts where summonses are prosecuted. The Courts normally issue a bench warrant for those offenders who have not paid their fines, but he warrants are often not acted upon. During one of the discussions, someone proposed the idea of creating a squad to execute on these warrants in order to collect the fines. After discussion, this idea was not adopted. Further the society does perform "undercover" investigations and "stakeouts" as a way of combating animal cruelty in the form of cockfighting and pit bull fighting.

9) The Board feels that the statement "Although the Board has held an annual meeting of the society in accordance with the by-laws, it has not always conducted a monthly meeting of the Board of Directors" would lead some to erroneously conclude that the Board is lax in their monthly meeting obligations. This is not the case. Board Members make every effort to attend all meetings. However, at times the number of Board Members present did not constitute a quorum, but this was the exception rather than the rule.

10) As to the statement that the Board of Trustees has not set term is incorrect. The by-laws establish a one-year term and the Trustees are appointed at the Annual meeting

11) All financial matters of the Society are overseen at open meetings by the Board of Directors. The Treasurer researches investment opportunities and reports to the Board. The decision lies with the entire Board of Directors as to which investments


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would be best for the Society. The Treasurer is then charged with the duty of executing the Board's decision

12) As to the conflicting language regarding engaging a firm of certified public accounts, the Board has already taken steps to correct this language inconsistency in the proposed amended By-laws. Further, as the Treasurer produces monthly reports for the Board and bank statements are available at the meetings for review, the Board did not feel that expending monies on an annual audit, which our research showed would be approximately \$2,000.00 per year, was justified.

13) The president had previously forwarded to you a letter rebutting your allegations concerning the society's ownership of drug and tracking dogs. A copy of that letter is attached.

Very truly yours,


Helen Kostbar
Secretary
Board of Directors

AUXILIARY POLICE ACADEMY CLASS 35 SCHEDULE

(Recruits copy)

Please be advised of the following days and dates for classes at the Auxiliary Police Academy.
All recruits are responsible to attend all classes, class attendance is mandatory.
All Monday, Tuesday and Thursday classes begin at 1855 hours.
All Saturday classes begin at 0755 hours.

	DATE	DAY	HOURS	
March	06	Tues.	3	
	17	Sat.	8	
	20	Tues.	3½	
	22	Thurs.	3½	
	27	Tues.	3½	
April	29	Thurs.	3½	
	03	Tues.	3½	
	05	Thurs.	3½	
	10	Tues.	3½	
	12	Thurs.	3½	
	14	Sat.	8	
	17	Tues.	3½	
	19	Thurs.	3½	
	24	Tues.	3½	
	26	Thurs.	3½	
May	28	Sat.	8	
	01	Tues.	3½	
	03	Thurs.	3½	
	08	Tues.	3½	
	10	Thurs.	3½	
	12	Sat.	8	
	15	Tues.	3½	
	17	Thurs.	3½	
	19	Sat.	8	
	22	Tues.	3½	
May	24	Thurs.	3½	
	29	Tues.	3½	
	31	Thurs.	3½	
	June	05	Tues.	4
		07	Thurs.	3½
12		Tues.	3½	
14		Thurs.	4	
19		Tues.	3½	
	21	Thurs.	3½	
	26	Tues.	3½	
	28	Thurs.	3½	
	July	02	Mon.	4
		03	Tues.	3½



38 DAYS 156 HOURS
1 Monday, 17 Tuesdays, 15 Thursdays, 5 Saturdays

December 11, 2000

reprinted directly from computer

Ileana M. Saros, Esq.
State of New Jersey
Commission of Investigation
P.O. Box 045
Trenton NJ 08625-0045

COPY

RE: Notice of Proposed Report

Dear Ms. Saros:

I am writing this letter in response to your communication of December 1, 2000. The portion of the report which you had forwarded to me contains various inaccuracies and admissions which I feel must be addressed.

The dog referred to in the report was only obtained by the SPCA after thorough discussion and approval by the Board of Directors. We also received the approval of the New Jersey Attorney General's Office prior to having the dog trained by the New Jersey State Police. The training was paid for through a drug enforcement grant obtained by the State Police.

The main thrust of obtaining the dog was not that we would share in the proceeds of successful drug seizures, but rather as a good will ambassador for the association. In this regard, the dog has been a tremendous success. For example, we use the dog in many educational programs in local schools. In these lectures we combine lessons on drug detection with lessons on animal cruelty. We demonstrate to the children how the dog can be used to discover illegal drugs. This is an important lesson for the children and brings a great deal of attention and favorable publicity to the SPCA.

Numerous municipalities besides Jamesburg have utilized the services of the dog in connection with law enforcement. I enclose copies of various letters from different municipalities thanking us for using the dog in both the areas of education and law enforcement. I also enclose a list of municipalities which have used our dog.

Ileana M. Saros, Esq.
December 11, 2000
Page -2-

You have many more similar testimonials in the dogs' personnel file which you took as part of your investigation.

All of the municipalities which have utilized the dog's service have been greatly appreciative. As to the dog's effectiveness, I can only state that his services are constantly being requested. If his value to the police is in question, it certainly seems unlikely that they would continue to request his use. I note that you state that "opinions differed as to

whether the dog was of any value". Could you please provide me with the source of these opinions. All of the conclusions set forth in your report seem to be without a factual foundation.

I would also like to state that your report does not appear to be based on any concrete evidence. It merely sets forth that conclusions are based on opinions without identifying the source of those opinions. As you can see from the correspondence which I have included, there are many opinions that are favorable. You also do not indicate why you think the use of this dog is a "questionable activity" for the SPCA, when it has been approved by the New Jersey Attorney General's Office. On what basis do you make this determination.

It is also implied in the report that there is something improper in having my personal dog certified for tracking and/or narcotics discovery. I would note that many State Police personnel also have their personal dogs trained and utilized for these services.

Further, I would like to state that all of the hours put in with the dog are done free of charge and without any cost to the Association other than a daily allowance for food for the canine.

Very truly yours,

Walter Mychalchuk

MUNICIPALITIES WHICH HAVE UTILIZED OUR DOG

MERCER COUNTY

Hightstown

MONMOUTH COUNTY

Englishtown
Manalapan Township

MIDDLESEX COUNTY

Monroe Township	New Brunswick	Old Bridge
Perth Amboy	South Amboy	South River
Spotswood	Helmetta	Piscataway - State Dare
Jamesburg	Cranbury	Middlesex Borough
Rutgers Police	FBI	Middlesex County Sheriff
Boy Scouts	Lions Club	Girl Scouts
Middlesex County Prosecutors Office		



A Not For Profit Organization
Founded 1945

260 Wall Street
P.O. Box 93
Eatontown, NJ 07724
732-542-0040
Fax 732-542-4552

www.monmouthcountyspca.org

Stuart Goldman, DDS
President

Nancy Hagerman
Vice President

Josephine Joel
Secretary

Matthew J. Marzano
Treasurer

George C. Adam, DC
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Humane Law
Enforcement

Stray and Owned
Animals Accepted

Pet Adoptions

Lost and Found

Low Cost Spay/Neuter
Clinic

Thrift Shop

Dog Obedience
Training

Humane Education

Pet-Assisted Therapy

Volunteer Program

Bereavement Counseling

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2001 FEB 16 AM 10:55

STATE COMMISSION OF
INVESTIGATION

February 13, 2001

Ms. Ileana N. Saros, Counsel
State of New Jersey
Commission of Investigation
P.O. Box 045
Trenton, NJ 08625-0045

Dear Ms. Saros,

The following is a response to your letter of February 7, 2001 in which the State of New Jersey states its findings regarding the investigation of the Societies for the Prevention of Cruelty to Animals in New Jersey.

In reference to paragraph two of page 2: When Stuart Goldman resigned as state enforcement agent, the said resignation was to assume elected position as chief humane law enforcement officer to run the daily operations of the law enforcement division of the Monmouth County SPCA. Furthermore, the reporting of complaints by the enforcement division was misrepresented in the report. In fact, operations reports or investigation reports as the case dictates are filed with the division. The Board of Directors are not apprised of each and every complaint as stated in the report. Furthermore, the monthly monies mentioned, are used as are all fines, for the benevolent care of animals as is the society's mandate, which as president, member and officer is my sworn duty to uphold.

In response to the last line of the last paragraph of page 7 of the report: The statement that the only clinic service that is available to the general public is the monthly rabies program is incorrect. The clinic's low-cost spay/neuter services are available to the general public whether or not they adopted their pet from the MCSPCA.

Thank you for your attention to the above.

Sincerely,

Stuart Goldman
President



MORRIS COUNTY
S.P.C.A.
SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

February 21, 2001

Ileana N. Saros, Counsel
State of New Jersey, Commission of Investigation
PO Box 045
Trenton, NJ 08625-7366

Re: Morris County SPCA (MCSPCA)
Response to notice of proposed report

Dear Ms Saros:

Your letter regarding the completion of the investigation of the Societies for the Prevention of Cruelty to Animals was received on February 10, 2001.

The following is our written response to the "relevant portions" of said document, which will be included in the final report. Our remarks are presented in sequence to correspond to the aforementioned "copy of the relevant portions."

Re: Red Lights and Sirens: The Morris County SPCA currently holds two permits for red lights and sirens, issued by the New Jersey Division of Motor Vehicles, for emergency response. Permits are issued at the discretion of the Director of Motor Vehicles. Your opinion that this authorization is an error does not constitute any misconduct on the part of the MCSPCA.

Further, the conclusion that the need for this equipment is "suspect," demonstrates a lack of understanding of the function of the MCSPCA. A recent emergency dispatch from the New Jersey State Police regarding an overturned horse trailer on Route 287 and a call for immediate response from the Dover Police Department are two examples of the need for this equipment.

Finally, the description of emergency response equipment as "gadgets" and SPCA personnel as "police wannabees" is disrespectful and unprofessional, as well as inaccurate. Volunteer firefighters and ambulance squad members use lights and sirens to speed response time. Our volunteer law enforcement personnel require them as well.

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Re: Adverse impact on overall effectiveness: This portion of the report is vague and generalized, however, issues of timeliness of response, training and financial cost do not adversely impact the effectiveness of the MCSPCA.

(a) Timeliness of response: The MCSPCA responds within 24 hours to every complaint received. Even anonymous reports are investigated. Emergency calls are handled as soon as they are dispatched.

(b) Training: The officers and agents of the MCSPCA are well trained and professional. They attend all appropriate workshops and classes available, including those given at the Morris County Police Academy. Training costs are underwritten by the organization. In addition, expert aid is always available to agents in the field through other members, including three attorneys, three veterinarians, seven animal control officers, wildlife experts and an animal behaviorist.

(c) Financial cost: MCSPCA volunteers offer free, professional service to the citizens and animals of Morris County. Major expenses incurred by the organization are phone charges, insurance coverage and training costs. All other expenses are paid out of pocket by individual volunteers. There are no salaried employees or consultants. Attorneys are also volunteers.

Re: Number of active personnel: Again this report demonstrates a fundamental lack of understanding of the nature of volunteer organizations. It is an incontrovertible fact that in any such group, the bulk of the work is done by a small group of people. The MCSPCA has 46 members, 11 of which are law enforcement agents and officers. Every one of our law enforcement volunteers responds to complaints, albeit with different frequency depending upon their availability at the time of dispatch. If an agent cannot respond in a timely manner, the case is reassigned. It must also be noted that your conclusions were based on admittedly incomplete records.

Re: Effectiveness: The measure of the effectiveness of the MCSPCA is NOT our record keeping system. It is the impact of our law enforcement personnel on the perpetrators of animal cruelty and neglect. Interviews with local police departments, court clerks and municipal prosecutors, animal control officers and municipal court judges would be more definitive ways of determining our presence and effectiveness in the community.

Re: Uniforms: The MCSPCA does not require a formal uniform, although a uniform shirt is required for court appearances. This shirt (which is tan and does not at all resemble a State Police uniform) was chosen because it is readily available through a catalog and it is inexpensive. Volunteers buy and maintain their own uniforms.

Re: Composition of Board of Directors: The MCSPCA is neither "closely held" nor "family controlled" due to the election of three family members to the Board of Directors. As stipulated in the by-laws, nominations are solicited and elections held on a yearly basis. The Board reflects the choice of the membership. In addition, even if the "family" should vote as a bloc, they would not have a majority impact on Board of Directors decisions.

Re: Meetings and administration:
(a) Meetings: The statement that Annual meetings were not held in 1997 and 1998, and that quarterly meetings were not held is incorrect. These meetings were held and documented.

(b) Finance: As you point out in your report, the MCSPCA is a "very small financial operation." Engagement of an independent accounting firm to audit our checkbook would be a wasteful expenditure. Since our computer generated ledger includes the purpose of each disbursement, invoices are not generally kept.

Again, comments regarding our financial procedures are inferred from a perusal of our meeting minutes which are simply short general reports of the contents of each meeting.

The MCSPCA does not have a finance committee because of the lack of administrative volunteers. Instead, all possible expenditures and programs are discussed at Board of Directors and/or membership meetings where votes are taken. Our books and records are always open for member scrutiny. If the minutes do not reflect approval of expenditures by the Board of Directors, it is because there are no large expenditures. The MCSPCA does not rent an office, we do not own vehicles or equipment. Clerical expenses are donated by individual members. Although the Chief of Law Enforcement has a \$500.00 discretionary budget, it is generally used to underwrite emergency veterinary care until costs can be recouped through the courts.

Treasurer's Reports are read at every quarterly meeting and copies are available. Questions about specific issues can be addressed at that time. These reports are more than adequate considering the volume of transactions.

The MCSPCA is a fiscally responsible organization. No salaries are paid nor property rented or owned. The fact that we no longer run at a deficit is due to prudent financial management and the increased generation of revenue through fines collected from convicted animal abusers.

This response will serve to correct errors as well as point out unfounded conclusions and misinterpretations on the part of the Commission of Investigation in the preparation of this report. As an addition to the report it will provide a more accurate view of the administration, operation, and the volunteer structure of the Morris County SPCA.

Very truly yours,



Barbara Kaufman
President, Morris County SPCA

NEW JERSEY SOCIETY for the PREVENTION of CRUELTY to ANIMALS

1119 Livingston Avenue
New Brunswick, NJ 08901

February 28, 2001

Ileana N. Saros, Esquire
STATE OF NEW JERSEY
COMMISSION OF INVESTIGATION
P.O. Box 045
Trenton, New Jersey 08625-0045

Re: SCI Report on State SPCA

Dear Ms. Saros:

Having been authorized by the Board of Directors of the State Society as president, I specifically request in accordance with N.J.S.A.52:9M-12.2, that the language noted in the paragraphs below either be incorporated into your report or added to the respective paragraphs noted herein in your report. In any event, before the report is published, the Board, through its president would like to review the final product.

- Pg. 1 New introduction paragraph:
At the time of its incorporation (1868), the New Jersey Society for the Prevention of Cruelty to Animals, (a nonprofit private organization) had no alternative but to apply for a charter through the process of a special act through the State Legislature. The incorporation under the special act, assigned to the organization a specific name, "New Jersey Society for the Prevention of Cruelty to Animals." This special act was and is the equivalent of our present day Statute of Incorporation under Title 15A.
- Pg. 1, ¶ 1 No one has applied for charters.
Mercer County membership has drastically decreased over the years. People want to be reimbursed - it's not easy to induce people to participate when there is no monetary compensation for their time and efforts.
There is no lack of sufficient numbers because there are agents and officers who live in or near the counties where no SPCAs are organized.
- Pg. 1, ¶ 2 This is simply not true - all have training manuals. Notwithstanding the statute, the Board authorizes its members to arrest and for many years have attempted through the legislature to remove the word "member" from 4:22-44.
For many years, the State Society has brought many complaints to stop cock fighting, pit bull fighting and the illegal transportation of animals.
Each year, many complaints have been filed through law enforcement agencies.

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Pg. 1, ¶ 3 Not true - we have had cell phones for at least 2 years which has lessened the response time.
16 county SPCAs - not 14.

Pg. 2, ¶ 1 The above answers also apply to this paragraph.

Pg. 2, ¶ 2 Re: Hudson County - Three officers were sent and one agent recently - all were unfounded complaints at separate times.
Re: Gloucester County - SCI alleged to Mr. Gerofsky that Gloucester County president, Agatha Amrusio, should have her property inspected for abuse to animals. The next day, Mr. Gerofsky sent an officer to investigate and report.

Pg. 2, ¶ 1 We disagree with the characterization in this paragraph - we have taken steps with new computer programs to help us keep track of all enforcement activities.

Pg. 3, ¶ 1 Add established in 1868.
Delete "alone" from the second sentence of this paragraph.
The balance of this paragraph is not accurate - we continually advertize in newspapers and the Board authorizes, through its president to conduct membership drives to enlist new members. We staff a booth at the Atlantic City Police Expo in June of every year whereby approximately 100 applications are passed out to prospective members with virtually no response resulting.
As in any society, even though they advertize and solicit membership, there occur many peaks and valleys in its membership rolls. It is not easy to get people to volunteer for various positions when they are not monetarily compensated.
The Society does not employ a closed-door policy at all.

Pg. 3, ¶ 2 The Society has been under the control of a Board of Directors since its inception. The Board is elected by the membership and the Board appoints the officers. And through the Board's direction Charles Gerofsky has fended off numerous challenges to the State Society's authority.

Pg. 4, ¶ 1 No comment on this paragraph.

Pg. 4, ¶ 2 As stated in this paragraph, there were reasons for adhering to the membership procedure and such method is waived under the following circumstance: Atlantic City Police Expo in June of every year.
The application procedure has never been ignored, except as noted above, and in any event, it has never been utilized to sway an election. This couldn't have happened because each new member must attend 2 meetings each year in order to be eligible to vote in the following year's elections. In addition, none of those members could have helped to elect Mr. Gerofsky because the election was for the purpose of electing Board members who in turn appoint the officers.

Pg. 4, ¶ 3 It should be noted that all fingerprint cards are checked by the local police

cont'd to
Pg. 5 department.
Once accepted, the individual must spend 5-6 hours each Sunday afternoon in classroom instruction for 6-7 weeks.

Pg. 5, ¶ 1 It should be noted that in the By-laws, the Board has and transfers such power as all law enforcement activity to the chief officer and Mr. Gerofsky set up these procedures as directed by the Board.
Except as noted above, we have no further comment on this paragraph.

Pg. 6, ¶ 1 The new cell phone technology, including pagers and 2-way cell phones has changed the way calls are handled and dispensed with. There is a paid answering service in place which has a list of dispatchers and officers to be contacted. In connection with emergencies, the dispatcher immediately notifies an appropriate officer to handle the matter. Non-emergencies are dealt with in accordance with the needs of that particular call.

Pg. 6, ¶ 2 There has been constant conflict between animal welfare groups, private citizens and some county societies due to the actual dictates of the law versus the appropriate ideals of these different groups. However, the State Society cannot impose upon the individual owners of animals, the ideal of any one group. The State Society must and does adhere to the law, thus the conflict.

Pg. 6, ¶ 3 No comment on this paragraph.

Pg. 7, ¶ 1 Every member has a right to influence other members to vote for him at election time - this is just political procedure.
No further comment on this paragraph.

Pg. 7, ¶ 2 This is not true - the Society has a copy of all the minutes for all its meetings. Also, the Board has separate treasurer's reports and financial reports and maintain copies of same.

Pg. 8, ¶ 1 With respect to the maintenance of records to track imposition and receipt of fines, the Society, represented by its Board has instituted a new computer system to maintain and track records. The Board hired an outside consultant to set up the system and is currently having the computer system installed.

Pg. 8, ¶ 2 No comment on this paragraph.

Pg. 8, ¶ 3
Pg. 9 If the numbers indicated in this paragraph with respect to the State Society's income are compiled in connection with our annual audits and the amounts reflected in those audits - then we have no further comment.

Pg. 9, ¶ 1 If the numbers indicated in this paragraph with respect to the State Society's

con't to income are compiled in connection with the State SPCA's annual audits and the amounts reflected in those audits - then we have no further comment.

Pg. 10 However, after consulting with all Board members with respect to the \$5000 donation to a local animal orphanage, we have no record or recollection of such contribution.
The Society did spend minimal money for a summer "pot-luck" barbecue one Sunday afternoon for the Board members, officers and agents and their families

Pg. 10, ¶ 1 If the numbers indicated in this paragraph with respect to the State Society's income are compiled in connection with the State SPCA's annual audits and the amounts reflected in those audits - then we have no further comment.

Pg. 10, ¶ 2 If the numbers indicated in this paragraph with respect to the State Society's income are compiled in connection with the State SPCA's annual audits and the amounts reflected in those audits - then we have no further comment.

Pg. 10, ¶ 3 The Society retains copies of its audit reports and its accountant has to go to the SCI offices in Trenton to obtain copies of all the records that SCI has taken from the Society, in order to continue the audit.
Pg. 11 This provision concerning the \$20,000 limit on the Board's power to buy and sell assets has been amended in our current By-laws.

Pg. 11, ¶ 1 The money that originally came in from Camden County, approximately \$240,000, was a bequest for the intended purpose of operating the shelter in Camden County. Therefore, it was suggested at the time of the court hearing by Charles Gerofsky, representing the State society, that the funds be solely used for Camden County. The Court agreed and ordered same. Those funds were used to buy back the shelter, pay existing debts, buy a used car, make improvements to the property and run the property for a year. When the shelter was finally closed, a remainder of \$58,000 was left in the account, of which \$6,000 was not accounted for. However, as far as the Board knows, the \$6,000 was utilized for dog houses and dog food for people in Camden County.
The State Society and its Board relied on its accountant to properly withhold taxes in connection with its bonuses, uniform and ammunition allowances, holiday gifts, etc. To this day, our accountant maintains that he did this in accordance with the law.
In connection with the last two sentences, the State Society has never issued a check as alleged in this paragraph. The Society uses the method of reimbursement to its officers/members for approved items once the item is received by the Society.

Pg. 11, ¶ 2 This paragraph is inaccurately stated - the following paragraphs more specifically describes the intricate relationship between the State and the counties:
In carrying out the purpose of the NJSPCA, as set forth in N.J.S.A. § 4:22-1 et

seq., the President of the NJSPCA is charged with appointing, at his or her discretion, persons in the several counties to organize county level societies pursuant to N.J.S.A. § 4:22-5. By extension, the County Societies so created pursuant to N.J.S.A. § 4:22-5 and N.J.S.A. §15A:1-1 et seq.
In addition to taking action toward the creation and organization of the County Societies, the NJSPCA President is charged with ascertaining that each County Society properly carries out the purpose described in the above paragraph. To assure that such purpose is carried out, the NJSPCA President possesses the authority, pursuant to court interpretations of N.J.S.A. § 4:22-5 et seq., to oversee the operations of each County Society and the authority, pursuant to N.J.S.A. § 4:22-5, to revoke at any time for cause a County Society's charter. The current President has delegated to the NJSPCA Board of Directors all of his powers that are set forth herein and in the above paragraph. Notwithstanding such delegation, as herein provided, the current President and any subsequent President shall retain all powers granted under the statutes of New Jersey and court interpretations thereof.

Pg. 12, ¶ 1 This paragraph contains inaccuracies - During the past 20 years, 4 charters were issued: Warren, Passaic, Somerset and Atlantic. Gloucester County was never issued a new charter. Salem County was never re-issued a charter. And Sussex County's charter was revoked due to its non-compliance with the issuance of reports.

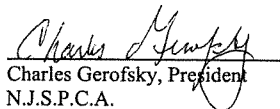
Pg. 12, ¶ 2 The State Society does have a uniform Policy Statement and Rules that were adopted in the year 2000, a copy of which was sent to the SCI. The State Society took appropriate steps over the years in attempts to assure the compliance with its Policies and Rules. Business decisions were made not to pursue court proceedings due to the expensive nature of such litigation. The proceedings would only deplete the funds that were originally donated for the purpose of taking care of animals. However, after the adoption of the Policy and Rules in 2000, the State Society intends to strictly enforce its Rules and Policies. It is only waiting for the State Commission of Investigation and its investigation to end. This investigation has taken place over the last three years and forced the State society to expend substantial sums of money to justify its existence. The SCI investigation and only the investigation has stopped the society from enforcing its Policies and Rules since it would not be appropriate to spend funds in two areas (SCI investigation and revoking of charters), when the very basis of the organization is to help animals, NOT to spend time in court or answer to investigations.
In connection with the statement made concerning Gloucester County, it is important to note, notwithstanding the State's duty to appropriate funds when a specific county cannot continue its activities, those funds are always placed in escrow for that county or transferred to a new entity of that county. The president of the Gloucester County society knows of this procedure.

- Pg. 12, ¶ 3 Middlesex County is the only county that has not paid its dues for many years - consequently, Middlesex County has not received its membership card in the State society.
- Pg. 13, ¶ 1 The State Society's policy is to only investigate in that county when that county does not respond. Notwithstanding said policy, the State organization has the right to investigate anywhere in the state when it determines that it is appropriate. This is especially true in connection with cock fights, pit bull fights, circuses, transportation of animals and other similar activities.
- Pg. 13, ¶ 2 Mercer County, Burlington County and the State Society have worked together for 20 years, sharing equipment, splitting fines, etc. All other concerns in this paragraph are dealt with in Charles Gerofsky's response to the complaints against him personally. Moreover, specifically with respect to this paragraph, if Mr. Gerofsky testified that he did not wear a Burlington County uniform, he was with confused by the question or the SCI misunderstood his answer. Mr. Gerofsky recently sent a list of names of police officers, judges and others that verify that he has worn a green Burlington uniform.
- Pg. 14, ¶ 1: This paragraph has already been responded to, *See* Page 2, ¶2.
- Pg. 14, ¶ 2: Except for the extensive amount of time spent on this investigation, the State SPCA would have already taken action to revoke the Warren County Charter. Notwithstanding, the State SPCA, as soon as this investigation is concluded, shall take immediate steps to revoke the charter of Warren County.
- Pg. 14, ¶ 3: This paragraph has already been responded to, *See* Page 2, ¶ 2.

The Case Law speaks for itself and Counsel for the SPCA will address same in the event that the State SPCA believes there are mischaracterizations of Judge Stanton's opinion. See, *Sussex County Society for the Prevention of Cruelty to Animals v. New Jersey Society for the Prevention of Cruelty to Animals, Charles Gerofsky and Paula Malatesta*, Superior Court of New Jersey, Chancery Division - Sussex County, Docket No.: C 1315-80E, Letter Opinion (1982).

Your attention to this matter is greatly appreciated.

Very truly yours,


Charles Gerofsky, President
N.J.S.P.C.A.

CG:pls

BATHGATE, WEGENER & WOLF

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
ONE AIRPORT ROAD
POST OFFICE BOX 2043
LAKEWOOD, NEW JERSEY 08701

(732) 963-0866

FAX #
(732) 963-9864

E-Mail: bathweg@idn.net

February 26, 2001

VIA FACSIMILE (609) 633-7366 & FEDERAL EXPRESS

State of New Jersey
Commission of Investigation
28 West State Street
P.O. Box 045
Trenton, N.J. 08025-0045

Attn: Ileana N. Saros, Esq.

Re: Ocean County S.P.C.A.
(Response to proposed S.C.I. Report)

Dear Ms. Saros:

Under your cover letter dated February 8, 2001, you forwarded to Ms. Arlene Swarer, President of the Ocean County, S.P.C.A., a copy of that portion of the report prepared by the S.C.I. in connection with its investigation of the Societies for the Prevention of Cruelty to Animals in New Jersey, which pertains to the Ocean County S.P.C.A., (sometimes referred to herein as the "Society").

As set forth in your February 8, 2001 letter, N.J.S.A. 52:9M-12.2 provides, in relevant part, that any person whose conduct would be criticized in a proposed S.C.I. report shall be provided with a copy of the relevant portions of the report and be permitted to submit a written response which the Commission shall include in the report together with any relevant evidence submitted by the S.P.C.A. Accordingly, please accept this letter as the response of the Ocean County S.P.C.A. to that portion of the S.C.I. report, which pertains to said organization. On behalf of the S.P.C.A., I request that the Commission include this response in its final report. As a preliminary matter, allow the Society to say that given that the Commission has taken its corporate and other records, without permitting its member to make copies of them, it is difficult to respond with great specificity to the allegations contained in the proposed S.C.I. report. Nevertheless, the Society deems it important to respond to the proposed report, and the response which follows is based upon the information provided by Society officers.

RECEIVED
2001 FEB 27 AM 9:49
STATE OF NEW JERSEY
COMMISSION OF INVESTIGATION

BATHGATE, WEGENER & WOLF
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February 26, 2001
Page 2

The bulk of the S.C.I.'s substantive criticisms of the Ocean County S.P.C.A. relate to what the S.C.I. alleges to be the "diversion of funds by law enforcement chief" Peter Oraboni. (See S.C.I. report at page 10). Despite the allegations made in the S.C.I.'s report the Ocean County Chapter of the S.P.C.A. believes that Chief Oraboni's integrity and dedication to the Society are above reproach, and it commends his service to the organization. Chief Oraboni in the organization's opinion, always obeyed the law and operated within the organization's and the State of New Jersey's guidelines. The Ocean County Chapter of the S.P.C.A. regrets that the S.C.I. investigation has sought to cast a cloud over a dedicated public servant who until the time of his recent demise was battling a grave illness.

Chief Oraboni faithfully served the Ocean County Chapter of the S.P.C.A. for over twenty years. He served as a volunteer from 1978 until 1989 when he became a ranking officer, and he began serving as the chief law enforcement officer in 1997. After conducting what was clearly an extensive and presumably expensive investigation of the activities of the Ocean County Chapter of the S.P.C.A. for fiscal years 1993-1998, the S.C.I. has concluded that the society had a total income of (\$460,620.00), total expenses of (\$578,425.00)¹ (S.C.I. report pages 7-8). Finding no cause to take issue with the Society's productive use of such a great sum of money, the greatest criticism that the S.C.I. was able to make of the Society was to allege that Chief Oraboni submitted fraudulent invoices and receipts for reimbursement in the supposed total of \$1,295.00 between March 12, 1993 and February 4, 1998 (S.C.I. report page 10). Although the invoices alleged to have been fraudulent by the S.C.I. may not have been explained to its satisfaction, the Ocean County Chapter of the S.P.C.A. does not feel that the S.C.I. is justified in concluding said receipt in the invoices were fraudulently submitted by Chief Oraboni.

Specifically, the S.C.I. has made a number of allegations with respect to the submission by Chief Oraboni of invoices documenting repair and maintenance on his personal automobile as well as for the purchase of gasoline for vehicles for which he or members of his family personally owned. In all instances, the Ocean County S.P.C.A. was satisfied that the invoices submitted by Chief Oraboni for fuel and repairs were reasonably necessitated as a result of the vehicle's use in connection with the discharge of his official duties. On many occasions, Chief Oraboni would use his own unmarked vehicle for surveillance in order to avoid being detected by the persons he was observing. Additionally, given that official S.P.C.A. vehicles were older vehicles in poor repair that were donated to the S.P.C.A., it was not unusual for them to be out of service and in need of frequent repair. Accordingly, Chief Oraboni would use his own personal vehicle to conduct Society business. Additionally, while it may not be reflected in the Board's

¹ Of course without the benefits of its corporate books and records, this information is difficult if not impossible to verify. However, for purposes of this response, the Society will assume that this information is correct.

BATHGATE, WEGENER & WOLF
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February 26, 2001
Page 3

meeting minutes, it was the policy of the officers and board members to verbally discuss present and potential expenditures and reimbursements with respect to auto fuel and repair expenditures. Consequently, it was the practice of Chief Oraboni at the time invoices were submitted to give an oral explanation as to why said expenses were necessary. To the best of the Society's knowledge, in all instances Chief Oraboni provided a satisfactory explanation of the invoices that he submitted for reimbursement.

With respect to the criticism made by the S.C.I. at page 11 of its report in connection with the disposition of a motor vehicle that had been donated to the Ocean County Chapter of the S.P.C.A. by a local police department in September of 1994, the Society wishes to point out that given the extremely poor condition of the vehicle it was donated to an auto-mechanic who had been providing services free of charge to the Society.

With respect to the allegations made by the S.C.I. at page 11 of its report with respect to the opening of an S.P.C.A. credit card account with a local gas station in 1994, the Society wishes to stress that the gasoline credit card was applied for in June of 1994 pursuant to the written authorization of the then vice-president now president as referenced in the S.C.I.'s report and that the opening of the account was authorized by the board in its July 1994 meeting after the credit card application had been approved.

At pages 11-12 of the proposed report, the S.C.I. discusses the purchase of Polaroid cameras by Chief Oraboni in such a manner as to imply that Chief Oraboni submitted duplicate invoices for the expense incurred in purchasing only one camera. This implication is unwarranted. Chief Oraboni did in fact purchase two cameras. The purchase of the second camera was necessitated in order to replace the camera he originally purchased which later became broken.

Moreover, the Society wishes to respond to the criticisms made by the S.C.I. in its report at page 12 with respect to the purchase in November 1996 by Chief Oraboni of a new handgun. Until the purchase of the new handgun in 1996, Chief Oraboni had been using a weapon, which belonged not to the Society but to him personally. At the time of the purchase of the new weapon, Chief Oraboni's own handgun had a trade-in value of \$200.00, which was credited against the purchase price as Chief Oraboni tendered it to the vendor. Accordingly, the Society paid the vendor the difference between the purchase price of the weapon and the trade-in value of Chief Oraboni's own handgun. Additionally, given that Chief Oraboni had contributed his own property to the purchase of the new weapon (i.e. his own handgun) the Society reimbursed him for the trade-in value thereof. In the Society's opinion, this was a fair reimbursement of an expenditure made by Chief Oraboni for the benefit of the Society.

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A PROFESSIONAL CORPORATION

February 26, 2001
Page 4

Additionally, with respect to the observation made by the S.C.I. in its report at page 13 pertaining to Chief Oraboni reporting of his sick and vacation time, the Society wishes to state that while until 1996 it was not the Society's practice to keep a written record of Chief Oraboni's sick and vacation time, it was Chief Oraboni's practice to verbally explain the taking of sick and personal days to the Society's officers as they occurred. Thus, for instance, in the event Chief Oraboni took a personal day on a Friday he would promptly report to a Society officer that he had in fact taken a personal day.

In connection with the criticisms made by the S.C.I. at page 13 of its proposed report regarding the S.P.C.A.'s purchase of computer equipment for use by Chief Oraboni in connection with his S.P.C.A. duties, it should be noted that prior to the purchase of the computer equipment in 1999, Chief Oraboni had for many years been using his own personal computer in order to conduct S.P.C.A. business at no charge to the Society. Thus, Chief Oraboni's generosity in utilizing his own personal computer in connection with Society business saved the Society significant amounts of money as it was not necessary to either purchase or lease a personal computer during that time.

With respect to the observations made by the S.C.I. in its report at page 14 with respect to the accounting treatment afforded to the payment by the Society of premiums on a life insurance policy insuring Chief Oraboni's life, the Society wishes to stress that it is a volunteer organization made up of concerned citizens who themselves do not have a background in the fields of accounting or insurance, and consequently, all accounting treatment afforded to this policy and the payments made on it were made with advice of the Society's certified public accountant.

In addition to criticizing reimbursements obtained by Chief Oraboni, the S.C.I. at pages 1-3 of its proposed report makes what the Society feels are unduly harsh criticisms of the enforcement operations of the Ocean County Chapter of the S.P.C.A. The society wishes to stress that the use of sirens and lights on official S.P.C.A. vehicles was undertaken with the explicit advice and approval of its then attorney as well as the Division of Motor Vehicles. Additionally, any similarity between uniforms worn by Society law enforcement members and members of municipal and/or county law enforcement agencies was purely incidental and unintentional. Moreover, the Society takes specific exception to the allegation that it failed to respond to allegations of animal cruelty or that it failed to respond to such complaints in a timely manner. Despite the fact that the Society is an informal volunteer organization, all members are devoted to the cause of the prevention of the cruelty to animals and expended great effort in order to serve the community. Contrary to the criticisms contained in the S.C.I. report, the Society conducted extensive and costly investigations, surveillances, and prosecutions of alleged instances of animal cruelty. While in some instances the Society's efforts might have been

BATHGATE, WEGENER & WOLF
A PROFESSIONAL CORPORATION

February 26, 2001
Page 5

hampered by a lack of financial resources and personnel, Society members always investigated and prosecuted allegations of animal cruelty to the best of their abilities.

As just one example, Chief Oraboni conducted extensive surveillance of pit bull owners who were alleged to be guilty of acts of animal cruelty. Additionally, the Society also came to the aid of a number of horses and other animals that had been neglected arranging their transportation and boarding at suitable facilities pending court resolution of the animal cruelty summonses issued by the Society. Indeed, in one instance the Society attended to the needs of circus animals, (a tiger, bear, and hyena), which needed to be boarded, because the truck which had been transporting them had broken down. This handful of instances, while obviously not meant to provide an extensive summary of law enforcement activities, is given to provide a few illustrative examples of the Society's efforts to come to the aid of animals in all manner of circumstances. It should also be noted, that like Municipal police departments, the Society often received meritless complaints time and time again from the certain individuals. Accordingly, it would not surprise the Society if those individuals were the persons who alleged to the S.C.I. that the Society failed to diligently investigate and/or prosecute complaints of animal cruelty. Finally, with respect to the tuning of the police radio in the S.P.C.A.'s vehicles to the same frequency used by the Ocean County Sheriffs' Department, the Society wishes to point out that the tuning of the radio to this frequency was undertaken with the express permission of the Ocean County Sheriffs' Department.

In connection with the criticisms made by the S.C.I. in its draft report at page 3 regarding the manner in which the Society recorded its law enforcement activities as well as its corporate meetings, the Society wishes to remind the Commission that Society members are everyday citizens who volunteer their time and often expend their own resources in order to conduct Society business. They do not have extensive backgrounds in either accounting or law enforcement. However, they are bound together by their love of animals and their desire to prevent acts of cruelty from being committed upon them. While their activities may not in all cases be recorded with the skill and care exhibited by state law enforcement and other government agencies, members at all times conducted themselves in a straightforward and honest way seeking only to serve the best interest of the Society as best as their abilities would permit them. Specifically, with respect to the criticisms made by the Commission of the Society's day to day conduct of its financial operations beginning on page 7 of the proposed S.C.I.'s report, the treasurer (formally assistant treasurer) does not recall ever signing Society checks in the capacity of assistant treasurer. (Of course without the benefit of access to the Society's books and records an extensive review of this allegation cannot be made). However, it is the Society's position that if Ms. Wolf ever did execute a Society check in the capacity of assistant treasurer, she did so with the approval and authorization of the Society's board, in order to process the payment of routine expenses and thus less avoid interest and late charges.

BATHGATE, WEGENER & WOLF
A PROFESSIONAL CORPORATION

February 26, 2001
Page 6

Additionally, the impression created by the Commission's observation at page nine of its proposed report that the, "minutes of meetings of the Board of Directors never reflected the approval of her [treasurer's "salary"]". This is not accurate. It should be noted that while it was not the Board's policy to annually approve the treasurer's "salary", it was nevertheless, the Board's practice, which is demonstrated by the meeting minutes to approve increase to the annual "salary" of the treasurer. Moreover, it should be noted that while payments made to the treasurer may be termed as "salary" in the meeting minutes of the Board of Directors, those payments were actually intended and treated as reimbursements of expenses (mileage, stamps, phone, etc.) that were actually incurred by the treasurer. At no time was the Society or its treasurer ever advised by its accountant that tax forms should be issued with respect to said payments or that the payment of these minimal amounts should be treated by the treasurer as income to her. With respect to the reimbursement of expenses incurred by the treasurer in connection with her service to the Society, it should be noted that on average she would have to undertake a forty mile round trip three or four times a week in connection with the execution of her duties.

Furthermore, the Society resents the Commission's statement set forth at page 14 of its proposed report that the Board of Directors "appeared to be disinterested in the Society's day to day financial matters." The Society feels that this criticism is unfair and is belied by the observation which the Commission correctly made at page 5 of its report that, "minutes that were recorded were thorough and indicted the oral and written presentation of a treasurer's report, the Board's approval of bills for payment and the presentation of Committee reports." As noted above, while it was not the practice of the Board's secretary to recite every expenditure authorized by the Board in meeting minutes, it was the practice of the Society's officers and directors to discuss verbally the expenditures to be authorized by the Board. Additionally, the Society wishes to point out that the annual audit performed of the Society's financial records by a certified public accountant was made available to Society board members each year for their review and subsequent discussion. The treasurer, in particular, wishes to state that to the extent the S.C.I.'s report attributes statements to her to the effect that Board members were not interested in reviewing expenditures or financial records, she does not recall making said statements. To the contrary, the Society was at all times interested in both the law enforcement and financial activities of the Society so that it may best serve the Society's purpose, namely the prevention of cruelty to animals. Furthermore, although, this cannot be verified given that the corporate records are in the hands of the S.C.I., the Society believes that despite the assertion of the S.C.I. to the contrary contained at page 5 of its proposed report, members of the finance committee were actually appointed by the Board of Directors. Likewise, it is the Society's belief that it was incorporated in March of 1955 as opposed to April of 1955 as stated by the S.C.I. at page 3 of its proposed report.

BATHGATE, WEGENER & WOLF
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February 26, 2001
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In conclusion, while the Society respects the intent of the S.C.I. through its investigations and reports to safeguard the public's interest and ensure the integrity and accountability of various county chapters of the S.P.C.A., it nevertheless takes a number of exceptions (as related above) to the allegations made in its proposed report. The Society therefore respectfully requests that the S.C.I. consider this response when drafting the final version of its report and that this response be included in the Commission's final report.

Respectfully Submitted,



PETER G. LICATA

PGL/dc

cc: Arlene Swarer, President
Margaret Wolf, Treasurer

Leslie A. Hoentz, President
NJ SPCA, Passaic County Branch
P.O. Box 721
Clifton, NJ 07015
(973)773-0459
Fax (973)872-9425

RECEIVED
2001 FEB 23 AM 11:09
STATE COMMISSION OF
INVESTIGATION

February 21, 2001

Lleana N. Saros
New Jersey Commission of Investigation
P.O. Box 045
Trenton, NJ 08625-0045

Re: Passaic County SPCA
Notice of Proposed Report

Dear Ms. Saros:

Please be advised that I am in receipt of the above referenced report dated February 8, 2001. When reading this proposal, one theme immediately becomes apparent. It seems as though the Passaic County SPCA is painted with the same "broad brush" as the other societies.

I also note that there are a number of contradictory statements and I, therefore, submit this correspondence to clarify those issues and correct various errors.

You begin your report by stating that *N.J.S.A. 4:22-44* empowers only the state society to effect arrests and not the county societies. However, I would direct your attention to *N.J.S.A. 4:22-9* which provides, in part, that "a district (county) society shall have the same rights, powers, and privileges as are vested in the New Jersey Society by Section 4:22-3 of this title..." A review of *N.J.S.A. 4:22-3* specifically provides, in subparagraph F, that the society may "adopt a common badge which shall be authority for making arrests;"

In the first paragraph on page 1 it states "the training that is given officers and agents is woefully inadequate" however, the second paragraph on page 4 goes on to detail the training that is provided to officers and agents of the Passaic County SPCA is by a regular police officer. While your report provides that the training officer trains the non-police officers in firearms safety and the use of deadly force, I would note that all members are also trained in dealing with witnesses, and defendants, report writing, arrest techniques, and all other areas in which an officer may be

called upon to act.

In the third paragraph on page 1 regarding red lights and sirens, reference is made to cop "wannabes". It should be noted that our officer base is represented by in excess of fifty per cent PTC certified police officers and that we are one of two societies which sought and obtained the requisite permits from the Division of Motor Vehicles. I would also note that *N.J.A.C. 13:24-1.1* specifically provides that an "authorized emergency vehicle" shall include such other vehicles as are approved by the Director of the Division of Motor Vehicles in the Department of Transportation. The decision as to whether we qualify for a permit is clearly within the discretion of the Director of Motor Vehicles and by virtue of the fact that he issued such a permit is clear evidence that we satisfied the requirements of *N.J.A.C. 13:24, et seq.*

Paragraphs 2 and 3 on page 2 refer to the timeliness of response to complaint yet there is nothing that addresses the Passaic County SPCA specifically. Again, this is another example of a broad statement lumping all of the societies together without any specifics.

In the fourth paragraph on page 2 reference is made to a case regarding the decapitation of a German Shepard. It should be noted that this case was not within the jurisdiction of the Passaic County SPCA.

In the first paragraph on page 1, a statement regarding incomplete records is made. The primary reason for this is that there is a lack of cooperation from the courts, municipalities and a majority of their participants.

The statistics referred to in paragraph 2 on page 3 are in disagreement due to the fact that our definition of a complaint differs from that of the Commission. For example, a telephone call is not considered a complaint by our definition.

Paragraph 3 on page 3 refers to the striking similarity of SPCA uniforms to those of the New Jersey State Police and municipal police departments. Although we are not sure what is being inferred here, we would like you to be advised that the Passaic County SPCA had green uniforms until we were directed by the New Jersey State SPCA to conform with their colors.

Paragraphs 1 and 2 on page 4 inaccurately state that the surrender of the charter was due to a public controversy. In fact, the charter was surrendered as a result of a controversy between the then existing chief of the Passaic County SPCA and its members.

Paragraph 2 on page 4 states that our meetings are held on the second Tuesday of every month and that one-half of each meeting is devoted to training. Our meetings are actually held on the second Monday of every month with training sessions taking place prior to the meeting and not being considered a part of that meeting.

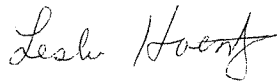
Please note that the 1985 Ford LTD Crown Victoria referred to in the first full paragraph on page 5 is no longer owned by the Passaic County SPCA.

It should also be noted that the Treasurer's report referred to in the paragraph that begins on page 5 and ends on page 6 has been changed to include more detail.

In conclusion, while the Passaic County SPCA may have some deficiencies which we are in the process of correcting, the protection of animals that is embodied in the spirit of *N.J.S.A. 4:22* is what we strive for in all of our activities.

If you have any questions or require any additional information, please do not hesitate to contact me.

Sincerely,



Leslie Hoentz

**SOMERSET COUNTY BRANCH
New Jersey S.P.C.A.**

**P.O. Box 815
Green Brook, N.J. 08812-0815**

Phone: 755-0004

RECEIVED

2001 FEB 28 AM 10:33

STATE COMMISSION OF
INVESTIGATION



February 23, 2001

Ileana N. Saros, Esquire
Commission of Investigations
PO Box 045
Trenton, NJ 08925

Dear Ms. Saros:

I am in receipt of your letter dated February 7, 2001 which was received by the Somerset County SPCA on February 14, 2001. Pursuant to Statute 52:9M-12.2, I am responding within 15 days of receipt of your letter. Further, I have been advised by Michael Dancisin that he is aware that this letter was mailed to our Post Office Box rather than 124 Evergreen Avenue in Newark, NJ.

The first complaint alluded to on Page one is that there is one agent, who wears no uniform, but carries a badge with the state seal. Please be advised that the Somerset County SPCA does not have the finances to purchase uniforms for our members.

While it is true that the President of the Somerset County SPCA has been at that position since the Society's inception, there has been no other individual willing to take on the responsibility of that position.

While it is true that the Somerset County SPCA utilizes the same type of complaint report as the New Jersey State SPCA, the Somerset County SPCA Branch is noted on the form.

Further, the Society's telephone service is maintained at the President's house due to the fact that the Society cannot afford office space nor office help to answer complaint calls. The system is now set up so that anytime a call comes into the answering machine, a page is sent to the President's beeper so that he can dispatch the call to an agent as quickly as possible.

The Society is not controlled by one person, it is maintained by a five person Board and all complaints are handled in a timely manner.

The Society's Treasurer is in possession of all financial records and has control of the checkbook.

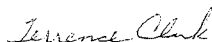
Page 2

The expenses incurred by the Somerset County SPCA are a monthly telephone bill and income is accrued from membership dues and fines from animal cruelty cases. Further, your report indicates same in the following paragraph.

If further information was needed, perhaps, conversations with the Vice President and Treasurer of the Somerset SPCA may have been warranted.

The allegation that the Somerset County SPCA paid three annual contributions of \$100 to the Associated Humane Societies is in error. The \$100.00 were dues required by the State SPCA up until that point, the State SPCA waived the dues due to lack of funds.

Very truly yours,



Terrence Clark
President

cc: Board of Directors – Somerset County SPCA

UNION COUNTY SOCIETY FOR THE
PREVENTION OF CRUELTY TO ANIMALS
318 West 12th Street
Linden, New Jersey 07036

RECEIVED

2001 FEB 22 AM 10:06

STATE COMMISSION OF
INVESTIGATION

Dominic Caggiano, President

CERTIFIED MAIL RECEIPT #342619244

February 20, 2001

State of New Jersey
Commission of Investigation
P.O. Box 045
Trenton, New Jersey 08625

Re: **Union County SPCA - Notice of Proposed Report**

Dear Sir/Madam:

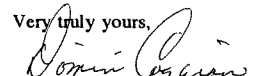
Pursuant to correspondence forwarded to me on February 8, 2001, by Ileana Saros, Esquire, I provide herewith a written response on behalf of the Union County SPCA pursuant to N.J.S.A. 52:9M-12.2.

The Union County SPCA does not utilize red lights or sirens, and none of its vehicles are so equipped. The Union County SPCA does not wear uniforms on a regular basis. In any event, the uniforms utilized by the Society in no way would be interpreted as similar to the New Jersey State Police or any other agency. The Officers of the Union County SPCA do not carry firearms or other weapons.

Please insure that your final report reflects the foregoing.

Thank you.

Very truly yours,



DOMINIC CAGGIANO
President, Union County SPCA

DC/li

KEVIN A. LEEDS
President
Warren County SPCA
97 Emwood Drive
Emerson, New Jersey 07630

RECEIVED
2001 FEB 27 AM 10:40
STATE COMMISSION OF
INVESTIGATION

Commissioner of Investigations
February 26, 2001
Page 2

February 26, 2001

State of New Jersey
Commissioner of Investigations
P.O. Box 045
Trenton, New Jersey 08625

attn: Leslie Celentano, Chairperson

**RE: Warren County SPCA Proposed
Report**

Via Fax 2/26/2001

Dear Ms. Celentano:

This letter is in response to the proposed report of the Commission. First and foremost, I think it is important to remember that the Warren County SPCA is comprised of volunteers, dedicated to the prevention of cruelty, preservation of life and dignity for animals. No member of the Warren County SPCA joined nor participates for personal profit or gain.

1. **Firearms:** Person(s) who carried firearms were only those persons who are permitted to do so, were on duty, were charged with the responsibility for conducting investigations and in fact did conduct investigations. No police action has ever been initiated, as there is no genuine issue relevant to firearms. It is our position that accusation relevant to firearms is pure fabrication. The individual who is charged with the duty of "qualifying" the members of the Warren County SPCA is a retired Sergeant from the New Jersey State Police and a former federal police officer. Among the accomplishments of his impeccable record, was the responsibility of training a county sheriff's department in weapons use and safety for many years. His qualifications have been accepted by the Warren County Prosecutor for ten (10) years and he is certified by the Police Training Commission of New Jersey.

2. **Use of Lights and Sirens:** SPCA Officers are law enforcement officers, with limited jurisdiction. In certain circumstances, deemed to be emergent, it is appropriate for lights and siren to be used. This position is set forth only after consultation with the New Jersey Attorney General's office.

N.J.S.A. 4:22-43 states, "Any member, officer or agent of the New Jersey Society for the Prevention of Cruelty to Animals may exercise and perform powers and duties like those exercised and performed by agents of the society who have been specially deputized by a sheriff."

3. **"Coggins Test" and Equine Screening:** The relevant portions of N.J.S.A. 4:22-3, grant authority to the SPCA to (c.) Establish such by-laws or regulations as may be deemed necessary for its government; and (d.) Enforce all laws or ordinances enacted for the protection of dumb animals; and police departments are required to aid SPCA members in such enforcement. N.J.S.A. 4:33-4. However, it is with the SPCA that the legislature placed the broad authority to enforce all laws relevant to animals. Equine testing is one example of such authority. It is in the best interest of the public and the animals for screening to be performed to identify the absence or presence of equine infectious anemia.

The process of checking certificates for animals in transit was instituted after training, consultation with the Deputy Director of the New Jersey Department of Agriculture, consultation with the United States Department of Agriculture, the New Jersey Attorney General's office, the Cooperative Extension Service of Cook College at Rutgers and police authorities.

4. We object to the commission's presentation of the facts as they relate to the 1992 incident with Mr. Szalobryt, now deceased.
5. **Complaints:** Any complaints/summons, whether civil, criminal or quasi-criminal issued by SPCA officers, agents or members are done so consistent with New Jersey law. 20% if all calls to the Warren County SPCA result in some form of investigation. The remainder include, but are not limited to, lost dogs, missing dogs, noise complaints, etc. Only a small percentage of cases require remedial action. The percentage of complaints requiring the issuance of a summons is minimal. Education is an affective tool, as are contributions of animal food and/or veterinary care by the SPCA.

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2000 DEC 19 AM 10:32

STATE COMMISSION OF
INVESTIGATION

Commissioner of Investigations

February 26, 2001

Page 2

6. Charter: The re-establishment of the Warren County SPCA occurred based on need identified in the County and only after the State granted the Charter. The organization has an exemplary record of handling cases, since the issuance of the new Charter. Public praise and gratitude is well documented in "thank you letters" from Warren County citizens.

7. SPCA Investigations: All investigations performed by officers, members or agents of the SPCA are in an effort to secure the health and safety of animals in Warren County, whether traveling through or remaining in the county.

- No member joined to enhance their resume
- No member joined or volunteered their time and talent after being "forced to resign from a police job."
- No member received a benefit or gain

8. General Operation: The SPCA was and is operated within the parameters of accepted business practices. We have complied with all State and Federal reporting requirements and those submissions are prepared by a Certified Public Accountant. Members have access to all meetings, records, bills are paid promptly and no capital expenditures are made without approval consistent with our bylaws. Donations have increased, as has membership.

The Warren County SPCA continues to proudly serve the citizens of Warren County, strive for the welfare of the animals of Warren County and answer all calls for that purpose. It remains our intention to work with the State and law enforcement to educate the public. We have been and remain open to constructive criticism. Policies and procedures can always be improved, even in the most well run organization.

Respectfully submitted,



KEVIN A. LEEDS,
President
Warren County SPCA

December 15, 2000

Leslie Z. Celentano
State Commission of Investigation
P.O. Box 045
Trenton, New Jersey 08625-0045

Dear Ms. Celentano:

I have had the opportunity to review the proposed report regarding The Gloucester County SPCA and my operation of that organization. I have also made reference to the statutes cited to me in correspondence dated November 1, 2000, specifically N.J.S.A. 52:9M-12.2.

I am prepared to respond. Presently, at my property, I have approximately 31 dogs and 15 cats. Some of these animals have been there under my care for many, many years. In reviewing your report, I take exception to any reference to animals being found dead on my property. I don't know anyone would make such a reckless statement. Frankly, I would like to know who made that statement as I feel that I have a right to confront my accuser or accusers.

Your report goes on to make significant reference and suggestions regarding misappropriation or misuse of funds. It is true that there are donations made in the form of cash or checks by a few individuals each year. I believe that the total revenue is somewhere between \$200.00 to maybe a high of \$400.00. It is also true that by Will we did receive \$50,000.00. Although I don't remember the exact amount, a property was purchased at 903 Kings Highway in Swedesboro that still stands today at a reduced rate veterinarian hospital for those people who can't afford the normal price for spray neutering and animal treatment. Some of the funds were used for that purpose. Your report suggests that on deposit in what I have referred to as the clinic account, which is where the \$50,000.00 was originally deposited, there remains an outstanding balance, again according to your report, of approximately \$20,000.00, which I believe is accurate. Let me tell you what we have used funds for over the past number of years. We have purchased an x-ray machine for the attending veterinarian, as well as an operating table, an autoclave to sterilize the equipment that he uses, air conditioners for the office and hospital as well as a washer and dryer to clean equipment. Not one cent has been used for my personal gain.

Your report makes reference to my having several other accounts, which I would not disclose to you. I can tell you that both of those accounts are my own modest personal saving accounts. You would end up embarrassing yourself if you decided that you had the authority to audit our life savings considering the relative nominal amount on deposit after both of us having worked an entire lifetime. What I will disclose to you is that my total income per month, consisting of my husband's social security of approximately \$1,000.00 and mine of \$790.00, constitutes our sole income.


I also want you to know that a lot of the food that we feed these animals is donated by good hearted people, whose names I could provide but I am not going to.

I do not deny for one moment that I am 79 years of age. I also do not deny that I spent a brief period of time in the hospital with pneumonia during 1999. However, I really don't appreciate your suggesting that I am having mental problems as my mind is every bit as alert as the next person.

It is true that I have dedicated my entire life to the caring of animals. I have taken animals from accident scenes that have had their legs mangled and at my expense, taken them to a physician who may have amputated the leg, an after that I have cared for the animal for the rest of its life. Animals are my life. I also want you to know that there are no abused animals within my home and I do not appreciate your report making any reference to the cleanliness or lack of the same regarding my residence. I'm not a candidate for the good housekeeping award but that is my business. I frankly feel that your report, when it comes to my home is an invasion of my privacy.

There are many people in Gloucester County who could vouch for my love of animals. Everything I have done for animals comes out of a love for those animals. Animals are my life. I am not an educated person. Maybe I have not done some of the bookkeeping that you feel I should have. However, the amount of money that we received is so small and was used for animal food that I have frankly did not see any need for maintaining the kind of records that you are suggesting. Remember, as true as God is my judge, the donations that we receive are within the \$200.00 to \$400.00 range that I said. I'm an older woman now who loves animals and has done the best job I could to make their life better and that's all I have to say for now.

Very truly yours,




AGATHA ABRUZZO

314 West Baldwin St.
Hackettstown, NJ 07840

Commission of Investigation—State of New Jersey
Attn: Leslie Celentano, Chair
PO 45
Trenton, NJ 08625-0045

Dear Ms. Celentano,

Enclosed are my answers to the pages of the recent SCI report which concerns myself.



Scott E. Churchill

12/13/00

6 pages total

cc: George Daggett, Esq.
Ileana Saros

Via USPS Express Mail Certified

RECEIVED

2000 DEC 14 AM 10:30

Re: Answer to SCI Documents

STATE COMMISSION OF
INVESTIGATION

-----Answers to Page 1 of SCI report

I was the glue that held the organization together. I nor any other single person decided who was allowed to join. Membership is open to all that want to join. No application has ever been refused for membership. It is an out and out lie that the books were never audited. In 1991 a bequest was made to the Warren County SPCA. From 1991 through 1996 the books were very carefully audited by The membership of the Warren County SPCA, two different attorneys representing the Warren County SPCA, The New Jersey State SPCA, attorneys and auditors for the New Jersey State SPCA, the Office of the Warren County Surrogate, Superior Court Judge Albrecht, JSC, the Warren Hills Animal Society, an attorney for the Warren Hills Animal Society, and the books were offered for inspection to another animal group inquiring. Absolutely no irregularities were encountered by anyone. Since that time the books were audited by the Warren County SPCA's accountant as required. All records were and are open to the membership and any interested outside agency. All records have either been stored at the office (when one existed) or in accessible filing cabinets in one member's home or another. I personally never had control of the records after the bills for the month were paid. They all were methodically stored in the above mentioned cabinets.

No intimidation practices have ever been employed by myself or any other member.

The practice of checking horse trailers was due to demand from the New Jersey State SPCA, through its training course, and as printed in "Laws of the State of New Jersey for the Prevention of Cruelty to Animals", 1990. This was taught by instructors including: Chief Gerofsky, Deputy Chief Don Terhune, and Captain Carl Croce all of the NJSPCA. Additionally, the New Jersey Department of Agriculture, during several meeting, encouraged the idea. Lastly, the New Jersey Police Training Commission goes into great length that this is one the jobs for the SPCA.

The policy of writing both civil and criminal was not my policy, but a policy adopted by the NJSPCA and taught in its classes. This is perfectly legal and NJSA Title 4 is written with this intent in mind. The actual history of this law is quite clear as documents at the New Jersey State Library in Trenton substantiate. Dancisin fails to mention that out of all the cases investigated to date in Warren County (several thousand), only a small percentage actually turned into court cases. The public was educated, not summonsed. The goal was not to get fine money, as evidenced by the fact that the court sets the fines, not the SPCA. Most times the costs of prosecution far exceed the fines. (ex. Pictures and developing, phone calls, and gasoline costs far more than the \$10 fines levied many times). If fines were the motive for writing tickets to violators, then the Warren County SPCA would have fought against NJSA 4:22-55 (which was signed into law in 1997) which clearly shows that disposition of fines from cruelty complaints written by animal control officers of each municipality will go to the municipality in which the violation occurred ...

The vehicle of the SPCA is and has been accessible and usable by all members since the inception of this county charter. It was purchased with 100% approval from the membership, after checking the legality with our attorney James P. Berado.

-----Answers to Page 2 of SCI report

The person that does firearms qualification is a retired Sgt. From the New Jersey State Police (he is known personally by Dancisin). This man then went on to be third in command of a very large Sheriff's department. He trained and qualified their officers until his retirement. The Warren County Prosecutor has accepted his Police Training Commission results every year.

The President, Vice President, and the Treasurer all have availability to the checking account. Each may sign checks, or together with membership approval may enter into negotiations with a financial institution as per the membership. Once again it is an absolute lie that no audits have been performed (see above).

-----Answers to Page 3 of SCI report

The Society exists solely for the prevention of cruelty to animals, and not for any persons' personal reasons. The members donate time and money for this reason, and to give back to the community from which they come.

After careful consultation with the attorney James P. Berado who represented the Warren County SPCA and after careful review of NJSA 15A:3-1 (non-profit corporations) which states, "each corporation may (4) take and hold by LEASE, GIFT, PURCHASE, DEVISE or bequest and property, real or personal, necessary or desirable for attaining the objectives and carrying into effect the purposes of the corporation—in this case the prevention of cruelty to animals in Warren County. (5) ...sell, convey, mortgage, create a security interest in, exchange, transfer, or otherwise dispose of its property and assets it

was determined by the attorney James P. Berado for the SPCA that members could legally purchase a vehicle out of their own money for the use of the Warren County SPCA. There were no cost savings on vehicle purchases due to the fact that \$1,000,000 commercial liability insurance on a vehicle was triple of that of a normally insured vehicle.

-----Answers to Page 4 of SCI report

After 3 years of investigation and hundreds of thousands of dollars of taxpayer money, Dancisin, Saros, and their accounting team were unable to even get vehicle mileage correct in the report. The reported mileage is off by thousands of miles in the report.

No person was ever paid or received any compensation for the ability to purchase vehicles for the Warren County SPCA. All members paid for all gas and repairs to the vehicles out of their own pockets, and with no expense to the SPCA or the community.

-----Answers to Page 5 of SCI report—none—as this page does not really apply to me.

-----Answers to Page 6 of SCI report

In order to comply with the rules and regulations of the New Jersey Police Training Commission it was and is still necessary for all officers that carry firearms to train constantly and requalify twice a year. The Warren County SPCA encourages officers to practice as often as possible, so as to retain their skills in this discipline. This is done after checking the legality with our attorney James P. Berado.

No bullet proof vest or night vision were ever purchased by the Warren County SPCA,

-----Answers to Page 7 of SCI report

Communications were and are a major expense. Investigations have led to obtaining information throughout the United States and Canada. Information and evidence gathering calls to all of these areas are and were essential to preventing, correcting, and at times prosecuting animal cruelty in Warren County. Pagers were rented so as to be able to have members on call 24 hours a day. The members paid for these pagers out of their own pockets, and no cost was attributed to the SPCA. The cost for these pagers was higher through the selected vendor than other companies, but the service was better for the intended purposes. There absolutely was no savings to any member in the rental of these pagers. This was done after checking the legality with our attorney James P. Berado.

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2000 DEC 27 AM 11:07
STATE COMMISSION OF
INVESTIGATION

-----Answers to Page 8 of SCI report

The attorney James P. Berado for the Warren County SPCA requested membership applications for his father Guy Berado (a retired FBI agent) and his office manager Joseph PolICASTRI (an animal lover). This was complied with and they were brought in as members at a regular meeting (and with full approval of the membership) because of the desire they had to prevent animal cruelty in Warren County.

The SPCA, with the approval of all members, had Christmas parties in two separate years in order to thank all of the members for their hours of selfless devotion to the cause of preventing animal cruelty. This was done after checking the legality with our attorney James P. Berado (who attended with his wife).

-----Answers to Page 9 of SCI report

The SPCA purchased a much needed evidence camera from a member after the membership decided that one would be necessary to document animal cruelty investigation for court or educational or training purposes. The camera was sold at 50% of the appraised value (as determined by the trade in value at a local camera shop). The camera body, 4 separate lenses, flash, power winder, and case are still used today for taking evidence and training photographs.

314 West Baldwin St.
Hackettstown, NJ 07840


State of New Jersey
Commission of Investigation
Attn: Leslie Celentano
PO 045
Trenton, NJ 08625

Dear Ms. Celentano,

This letter is in response to a late "excerpt" sent by your agency regarding the SPCA investigation.

Answer to "Excerpt"

The excerpt refers to a gun matter that never occurred, was never reported as occurring, was never investigated as occurring. This is obvious by the fact that no date, time, place, or persons are mentioned in the report.


Scott E. Churchill, Esq.
cc: George Daggett, Esq.

12/13/00


Scott E. Churchill

12/23/00



Costantino & Company, LLC
Certified Public Accountants

110B Meadowlands Parkway - Suite 303 - Secaucus New Jersey 07094-2302
(201) 865-1040 Fax: (201) 865-2690
NFC@CostantinoCo.Com

Att: Ileana N. Saros
State of New Jersey
Commission of Investigation
December 14, 2000
Page 2

December 14, 2000

Att: Ileana N. Saros
State of New Jersey
Commission of Investigation
PO Box 045
Trenton, NJ 08625-0045

Re: Societies for the Prevention of Cruelty to Animals
Hudson County
Notice of proposed report.

Gentlemen:

In response to your allegations, I believe the investigators are misinformed as to our role, as Auditors. We are not the bookkeepers and in accordance with the terms of our engagement, we do not record income nor expense. We simply test the records, to put forth an audited financial statement that "presents fairly, in all material respects the financial position of the Society". We have tested the balances shown on the balance sheet and deem them to be accurate. Although the income statement items are subject to interpretation and perhaps nomenclature differences, the income statement presents fairly the results of operations, in accordance with the scope of our engagement.

To respond to the items stated in your report, the details of which we are not privy, I offer the following:

1. The 1999 fee of \$1,500 (copy enclosed) included only one-half hour of discussion with a Commission investigator (\$50). The rest of the billing relates to photocopying 5 years of our workpapers, correspondence and tax returns, and preparing for shipment to the Commission.

The complexity of the workpapers required review and unstapling, stapling and taping large accounting schedules. It was not feasible to send the project to an outside service, both in the interest of time and cost. This billing did not include the out of pocket charges for delivery.

The cost associated with the production of documents was reasonable and should not be an item of criticism. To further demonstrate the circumstances, we did in fact use an outside service for the copying of the 1998 audit workpapers and my cost for that one year, was in excess of \$300, without a charge for my time to review, delivery to the outside vendor and shipping to the Commission.

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STATE OF NEW JERSEY
COMMISSION OF INVESTIGATION

2. We were engaged to perform an audit of the client's financial statements, not to record the detail transactions. In accordance with the scope of our engagement, please note paragraph 3 and 4 of our enclosed engagement letter, which states in part ".....Accordingly, it will not include a detailed audit of transactions". And "I direct your attention to the fact that management has the responsibility for the proper recording of transactions in the books of account, for the safeguarding of assets, and for the substantial accuracy of the financial statements. Such statements are the representation of management."

In our audit report, paragraph 4 states in part "In our opinion, the financial statements referred to above present fairly, in all material respects....".

I believe, to the best of my knowledge that the statements we prepared, presented fairly, in all material respects the financial position of the Society.

2. Please refer to the scope of engagement referred to above. We do not record income and expense items, we test and present. Without the detailed investigation which is not within our scope, the statement referred to in your report can not be addressed with specificity.

Improper capitalization of certain assets and the neglect to capitalize other expenses, is without merit. Since 1994, the items capitalized amounted to \$18,400. \$7,000 representing plumbing contracts (\$5,000, \$500 April and May 1999 and \$1,500 for a water heater in October of 1999) and \$11,400 (payments made to Cobel Construction of \$6,400 and \$5,000, in April and May of 1997) as capital improvements, an additional check to Sterling Construction of \$2,625 was not capitalized, as it was determined to be a repair, not an increase in the life of the existing roof, and therefore not an asset to be capitalized. No other expenditures during 1993 - 1999 met the criteria for capitalization. Direct operating expenses are not capitalized.

The Society's investments were not characterized to conceal volatility, nor are they volatile. The enclosed analysis will show that the accounts include savings accounts, money market accounts, certificates of deposit and managed investment accounts. The managed accounts are managed by investment professionals and not the Society's personnel, and included a balanced portfolio of extremely safe investments.

As the schedule reflects, cash and cash equivalents amounted to \$409,186 of the total of \$957,980, for 1999 and similar amounts for 1998 and 1997. US Treasury notes amounted to \$150,875 for 1999. Corporate Bonds amounted to \$100,043 for 1999 and fixed income mutual funds amounted to \$100,696. Therefore, \$760,800 (79.43%) of the total \$957,980 was invested in extremely safe investments with no volatility. The remaining \$197,000 is invested in a blend of mutual funds that as a balanced investment, are not subject to the high volatility of the market, with little downside risk. For 1998, the percentage amounted to 77.19% and for 1997 - 78.57%.

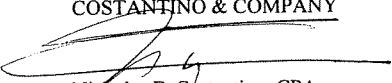
In fact, the temporary investments had a net increase in market value over cost of \$51,330 in 1999, \$45,940 in 1998 and \$12,092 for 1997, with no appreciable losses in any category of investments.

Att: Ileana N. Saros
State of New Jersey
Commission of Investigation
December 14, 2000
Page 3

In summation, I believe that the investigators were misinformed regarding our role in issuing financial statements for the Society. Perhaps, during the investigation, additional information came to their attention of which we have no knowledge, nor are we expected to discover. Our engagement letter sets forth the scope of our engagement and our scope is to produce audited financial statements, which are the representation of management and present fairly, in all material respects, the financial position of the Society, not to record various detailed accounting entries.

Very truly yours,

COSTANTINO & COMPANY


Nicholas F. Costantino, CPA
Encls/

spcanjinv.let

Costantino & Company, LLC
Certified Public Accountants
110 Meadowlands Parkway
Secaucus NJ 07094-2302

HUDSON COUNTY DISTRICT SPCA
480 JOHNSTON AVENUE
JERSEY CITY NJ 07304

SPCA

December 21, 1999

In Reference To: State Investigation

	<u>Amount</u>
10/13/99- Telephone conference with M. Czyzyk from State regarding subpoena for documents. Read subpoena faxed to me.	50.00
10/23/99- Search old archives for SPCA audit files for 1992-1997. Review files.	225.00
11/13/99- Review and copy workpapers pursuant to request for documents. 1992-1997.	300.00
11/22/99- Copy workpapers pursuant to request for documents. 1992-1997.	250.00
11/26/99- Copy workpapers pursuant to request for documents. 1992-1997.	350.00
11/28/99- Review and copy workpapers pursuant to request for documents. 1992-1997.	275.00
12/18/99- Search archives for 1992 workpapers.	25.00
12/20/99- Draft document transmittal letter to State Investigation Committee.	25.00
	<hr/>
For professional services rendered	\$1,500.00
	<hr/>
Balance due	<u>\$1,500.00</u>

COSTANTINO & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

110 MEADOWLANDS PARKWAY - SECAUCUS, NEW JERSEY 07094
(201) 865-1040 FAX (201) 865-2690

December 9, 1999

Harriet Hughes, Treasurer
Hudson County District SPCA
894 Kennedy Blvd. Apt. 4
Bayonne, NJ 07002

Dear Harriet:

I am pleased to serve as independent accountant for the Hudson County District Society for the Prevention of Cruelty to Animals, Inc. (SPCA).

The purpose of this engagement is to audit the SPCA's financial statements for the year ended December 31, 1998 and evaluate the fairness of presentation of the statements in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

The audit will be conducted in accordance with generally accepted auditing standards which will include a review of the system of internal control and tests of compliance to the extent I believe necessary. Accordingly, it will not include a detailed audit of transactions to the extent of which would be required if intended to disclose defalcations or other irregularities, although their discovery may result.

I direct your attention to the fact that management has the responsibility for the proper recording of transactions in the books of account, for the safeguarding of assets, and for the substantial accuracy of the financial statements. Such statements are the representation of management.

The object of my examination is the expression of an opinion on the SPCA's financial statements; the ability to express that opinion, and the wording of our opinion will, of course, be dependent on the facts and circumstances at the date of our opinion. If the opinion will be other than unqualified, the reasons therefore will be fully disclosed.

I will also assist in the preparation of the required federal and state reports for exempt organizations.

Harriet Hughes, Treasurer
Hudson County District SPCA
December 9, 1999
Page 2

The fee for the above services will be \$4,250 plus actual out-of-pocket expenses, of which \$3,500 will be for the auditing examination and \$750 will be for preparation of required federal and state reports. It has consistently been my policy to keep fees for not-for-profit organizations low in light of budgetary constraints and still provide close, personalized, timely and efficient service to the organization.

If the foregoing is in accordance with your understanding, please sign and return a copy of this letter to us.

I very much appreciate the opportunity to serve you and trust that our association will be a long and pleasant one.

Sincerely,

COSTANTINO & COMPANY, LLC
Certified Public Accountants

NFC/eo

ACCEPTED BY: 

DATE: 12/30/99

RECEIVED

2000 DEC 19 AM 10:31

STATE OF NEW JERSEY
COMMISSION OF INVESTIGATION

JAMES J. TUTAK, ESQ.
570 KEARNY AVENUE
KEARNY, NEW JERSEY 07032
(201) 955-9300 / (201) 997-4557 (FAX)
ATTORNEY FOR JOSEPH T. FRANK

IN THE MATTER OF THE
INVESTIGATION OF THE
HUDSON COUNTY S.P.C.A.

STATE OF NEW JERSEY
COMMISSION OF INVESTIGATION

RESPONSE OF JOSEPH T. FRANK
TO THE REPORT OF THE
COMMISSION

I, Joseph T. Frank, do make the following response to the allegations contained in the report of the Commission, which I received by letter of December 1, 2000.

- 1) I was born on January 27, 1958.
- 2) I reside at 75 Devon Street, North Arlington, New Jersey.
- 3) I have a General Equivalency Diploma, and completed two years of college at Jersey City State Teacher's College, now New Jersey City University.
- 4) I served in the National Guard from 1975 to 1993, inclusive, and was honorably discharged with the rank of First Lieutenant.
- 5) I am employed by the Jersey City Department of Health as a Supervising Animal Control Officer.
- 6) Some time ago, Tim Sheridan, Director of the Mayor's Office for Constituent Services, held a meeting with a group of concerned citizens following complaints about the mistreatment of guard dogs within Jersey City.
- 7) The citizens felt that the State S.P.C.A. was not doing enough in the circumstances.

8) As a result of that meeting, I was instructed to become more actively involved with the Hudson County S.P.C.A. organization in order to become an Animal Cruelty Agent, and I did so, in order that I could more effectively carry out the duties of my position and interact with complaining citizens, without the delay of having to wait for other agencies to become involved, and since I was usually the first person on the scene.

9) In my employment, I am regularly called upon to deal with dangerous animals, violent people, and animals which are so seriously ill or badly injured that they must be humanely destroyed.

10) Accordingly, I also aspired to attain the position of an Hudson County S.P.C.A. Animal Cruelty Officer, as such officers are empowered to carry weapons in the performance of their duties.

11) Appointments to the position of Animal Cruelty Officer are made through the County S.P.C.A.

12) The position of Animal Cruelty Agent is an unpaid volunteer position, and there are no fixed hours.

13) Because of the conditions at the Hudson County S.P.C.A.'s Animal Shelter, and the difficulty of finding persons willing to work in what can only be described as unpleasant conditions, I applied for and accepted part-time employment at the Shelter, where my duties included the cleaning out of pens and cages, the disposal of the bodies of euthanized animals, mopping the floors and feeding the animals.

14) I admit that I also believed that by working at the Shelter in this capacity, I would become more experienced, better known to the staff and management, and thus improve my chances of appointment to Animal Cruelty Agent and then Animal Cruelty Officer.

15) I was paid nominally in this position, at the rate of \$6.25 per hour, gross.

16) I worked essentially the same number of hours each week, and so my pay was the same every week.

17) I neither "punched in" nor "punched out" at this job, and to the best of my knowledge, neither did anyone else.

18) Paychecks were issued to me.

19) The practice was that one of the workers would endorse my name on my checks, and one of the other workers would cash it at a bank in Bayonne; I would pick up the funds during the day.

20) I only signed a paycheck once to my knowledge and recollection and as is a matter of record and as already established by the Commission of Investigations, I signed the check "Joseph Frank", as I assumed it should have been issued, since the back of the check was

presented to me on the spur of the moment, prior to the individual leaving the SPCA to cash the checks.

21) I deny any allegation that I was a "no show" or that my employment was in any way hidden.

22) At the time that I began this work, I furnished the S.P.C.A. with my actual Social Security Number.

23) Social Security contributions were withheld from my pay, credited to my Social Security account, and I declared the income on my taxes, having been furnished with a form W-2 by the County S.P.C.A.

24) During this time, I also operated a pizzeria in Bayonne, where I and my family worked; Mr. Pulver was aware of this.

25) On one occasion, Mr. Pulver asked me how the pizzeria was doing, and I told him that it was not doing well.

26) Mr. Pulver offered to lend me \$2,500.00 to help me through the problems I was having with the pizzeria.

27) When I was interviewed by the Commission, I had recalled the amount as \$3,000.00, but I now am certain that it was, in fact, \$2,500.00.

28) I did my best to make regular payments of the loan to Mr. Pulver, although I could not always do so.

29) On all but two occasions, I made these payments by personal check, payable to him.

30) On two occasions, my check bounced and I made good the check in cash.

31) I eventually repaid the entire loan.

32) Mr. Pulver charged me no interest, but in consideration of his help, I would from time to time pick up animals when he lacked the staff to do so. This was done after my regular employment with the Board of Health.

33) The shelter is inspected by the Board of Health at least once a year, or more frequently, if there is cause.

34) The shelter's license renewal requires either a passing inspection or a conditional passing inspection.

35) The inspection must be approved by a Licensed Health Officer or a Sanitary Inspector, First Grade. I hold neither of these qualifications.

36) Although I participated routinely in the inspection of the shelter, I was always either accompanied by and under the supervision of a person from the Board of Health with such qualifications, or my report was reviewed and approved by such a person.

37) To my knowledge, these persons have not been interviewed by the Commission, and I feel that if the Commission had done so, it would have obtained a better idea of the facts in this matter.

38) I never sought, nor did I ever receive gifts, funds or gratuities to influence me in the performance of my duties with the Board of Health, nor to influence or attempt to influence other employees of the Board of Health.

39) I did not participate in any scheme by which funds from the County S.P.C.A. were funnelled through me under the pretext of wages for the repayment of the loan I received.

40) I did sign to have the license renewed, but on each occasion, this was after approval by the appropriately qualified person, the City Health Officer.

41) On two occasions, the license renewal was actually delayed when Joseph Castagna, the City Health Officer, did not approve the renewal due to the fact that there was a pending complaint being investigated.

42) I am now aware that a separate written form has to be filled out every time a complaint about conditions at the shelter is investigated.

43) At the time, I was not aware of this, and thought that only a single annual inspection form had to be completed.

44) As to the statement concerning Mr. Pulver's boat, if this is made to allege a social relationship between myself and Mr. Pulver, I admit that we were cordial to each other, but we did not socialize.

45) I do not recall such an invitation, but I am sure that if the invitation was in fact made, it was simply made as a courtesy.

46) As a matter of fact, I dislike going out on small boats.

47) About six months after I began working at the Shelter, I had a conversation with Mark Russinello, the Assistant Director of Health and Human Services for the City of Jersey City.

48) I mentioned the work I was doing at the Shelter, and Mr. Russinello said that he thought it would be a conflict given my position with the City.

49) I immediately terminated my employment at the Shelter.

50) I am mindful of the fact that I am allowed a response of *reasonable* length, and so I will not go into more detail in this document; however, I stand ready to answer specific questions which may be put to me concerning the above facts.

51) This statement was prepared in consultation with my attorney, based upon the information I supplied, and was drafted in my presence.


52) I have read and understand these statements.

53) I certify that the foregoing statements made by me are true; I am aware that if any of the foregoing statements are willfully false, I am subject to punishment.

Date: December 15, 2000


JOSEPH THOMAS FRANK

WITNESS:


JAMES J. TUTAK, ESQ.



MALSBURY & ARMENANTE, P.A.
ATTORNEYS AT LAW

12 NORTH MAIN STREET
POST OFFICE BOX 157
ALLENTOWN, NEW JERSEY 08501

(609) 259-7944
FAX (609) 259-0872

BARCLAY P. MALSBURY
OF COUNSEL

FRANK P. ARMENANTE
MEMBER NJ & DC BARS

RAYMOND C. BOGLE, JR.
MEMBER NJ BAR

TIMOTHY G. HISKEY
MEMBER NJ & VA BARS

December 7, 2000

Ms. Ileana N. Saros
State of New Jersey
Commission of Investigation
P.O. Box 045
Trenton, New Jersey 08625-0045

Re: Charles Gerofsky and Proposed S.P.C.A. Report

Dear Ms. Saros:

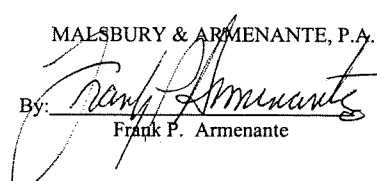
This office represents Mr. Charles F. Gerofsky and assisted him in his preparation of the letter attached hereto.

If you should have any questions or comments concerning the above, please do not hesitate to contact this office.

Very truly yours,

MALSBURY & ARMENANTE, P.A.

By:


Frank P. Armenante

FPA:pat
Enclosures

RECEIVED
2000 DEC 11 AM 9:47
STATE COMMISSION OF
INVESTIGATION

Charles F. Gerofsky
221 William Street
Trenton, New Jersey 08610

December 7, 2000

Ms. Ileana N. Saros
State of New Jersey
Commission of Investigation
P.O. Box 045
Trenton, New Jersey 08625-0045

Re: Proposed S.P.C.A. Report

Dear Ms. Saros:

In accordance with N.J.S.A. 52:9M - 12.2, this is a response to your letter of November 30, 2000. I request that at least the essence of this response be included in your report and I would like to see the final product you intend to publish prior to its publication, N.J.S.A. 59:9M - 12b.

In reading page one of your analysis of the Burlington County SPCA, the following is a clarification of your first and second sentences:

The chief law enforcement officer was paid \$30,133.26 gross wages annually, or net wages of \$27,033.26 between the years of October 1990 through June 1997 (a total of 81 months). This is an average of \$372.00 per month ($\$30,133.26 \div 81$ months) or \$14.99 per hour.

It should also be noted that the ammunition and uniform allowances for October 1990 through November 1997 (81 months or 6.9 years) were \$1,500.00 for ammunition and \$1,600.00 for uniforms. The statement that I admitted that I did not wear the county uniform is not true. Attached hereto as "Exhibit A" is a list of court dates where I appeared wearing the county uniform. Also on said list are the names of three law enforcement officers who have stated that they observed me wearing the county uniform.

Frank Pinto, a State Firearms Instructor, has qualified me for the past 15 years with respect to both the Burlington County and State weapons. The reason for the two weapons is that Burlington County and the State have different approved weapons. When I am in the blue State uniform, I can carry that weapon anywhere, but when in Burlington County, I am required to wear the green Burlington County uniform and carry the county-approved weapon.

State of New Jersey
Commission of Investigation
December 7, 2000
Page 2

This provision for having two weapons has recently changed, since there are no officers now in Burlington County other than myself, and hence, no need for the second weapon. In addition, the County of Burlington is phasing out the green uniform in favor of the blue uniform.

While it is true the County pays for the safety deposit box, it was explained to the SCI members that there was no convenient bank at the time that the deposit box was set up other than Roma, which at the time was a Savings and Loan, and did not have corporate boxes available. The box had to be in an individual's name, and the Board approved putting it under my name. It should also be noted that although this is a personal deposit box, there are no personal items in same.

It is true that the Burlington County weapons are not currently used by anyone, because the County no longer has officers. It has been the policy of the County to save the weapons in the event that there are officers hired in the future. The reason I am the only person to carry a weapon, is because I am the only *officer* in Burlington County.

Concerning, the Dodge vehicle, it should be noted that said vehicle is a 1987 Police vehicle. At a meeting of the Board of Directors it was decided that the Dodge should be sold. Board member, Edith Wiggins made a motion that a four-wheel drive vehicle should be purchased because agents are frequently required to go into areas of extremely muddy conditions. It was then decided that because of the Dodge vehicle's low mileage, it would be sold at a price *above* the N.A.D.A. price recommendation.

It should be further noted, that the Jeep was purchased in 1993 after the Dodge was sold. The Jeep is now 7 years old and has 5,700 miles on it, for an average of 814 miles per year, 150 miles of which is for the annual Police Expo exhibit. The balance of the annual mileage is used by me in the winter months. This is obviously not a pleasure vehicle, as has been insinuated.

In connection with page 2, *The New Jersey SPCA*, namely the first sentence which states, "The society has been under the firm control of one person for more than 20 years", this is inaccurate. All the years that I was president, the State society was run by a Board of Directors and that Board was appointed by the membership. I acted as president and did not exercise control except as outlined in the bylaws of the society, which was drafted and approved by the membership.

The second sentence states that I, as president, "fended off numerous challenges to his authority and succeeded in thwarting legislative initiatives that would have undermined the state society's powers". I did take steps to protect the Society from inappropriate legislative initiatives, but I never fended off appropriate changes that were approved by the Board. The reason that I, as president, have had tremendous influence on the State society is because of my diligence, hard-working nature, and my overall concern for the animals that the society assists.

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INVESTIGATION

State of New Jersey
Commission of Investigation
December 7, 2000
Page 3

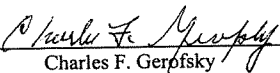
There is nothing blurred about my association with the County and the State societies.
The respective minutes of each explain my duties.

In 1993 and 1997, a mobile phone was placed in my personal vehicle, at the request and approval of the Board, so that I could be reached in an emergency. Recently, I asked that said phones be removed to save funds for the society's other pressing needs.

Finally, it is my understanding that your agreement with the society, when you removed the books and records for your investigation, was that you would return same at its conclusion. As of this date, this has not been done. Please call me so that arrangements can be made for their prompt return.

If you should have any questions or comments concerning the above, please do not hesitate to contact me.

Very truly yours,

By: 
Charles F. Gerpfsky

CFG:ms
cc: Frank P. Armenante, Esquire

Exhibit A

Burlington County Court Dates

January 6, 1992	Bordentown Township
January 23, 1992	Easthampton Township
March 4, 1992	Bordentown Township
June 3, 1992	Bordentown Township
July 15, 1992	Bordentown Township
October 16, 1992	Easthampton Township
April 12, 1993	North Hanover Township
June 21, 1993	Springfield Township
May 24, 1994	Tabernacle Township
September 27, 1994	Tabernacle Township
November 16, 1994	Chesterfield Township

Law Enforcement Officers

Mansfield Township:
Lieutenant Kerr
Chief Humble

Springfield Township:
Chief Parker