



The City of New York  
Department of Investigation

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**STATEMENT FROM DOI COMMISSIONER ROSE GILL HEARN REGARDING INDICTMENT OF  
FORMER DEPT. OF HEALTH DAY CARE DIRECTOR**

Today's charges in Manhattan Supreme Court against DONALD NOLTE, the former Director of the Bureau of Day Care at the Department of Health and Mental Hygiene (DOHMH), result from an investigation by DOI investigators who found that NOLTE had falsely represented that he had spent more than 550 hours, or roughly 79 days, at work for the City or out sick when, instead, he was actually engaged in private consulting. From at least 1999 through 2003, the City paid NOLTE more than \$26,000 for time in which he was engaged in outside work for Cicatelli Associates, a not-for-profit that had contracts with DOHMH for HIV/AIDS-related programs.

NOLTE, 56, of Brooklyn, has been charged with Grand Larceny in the Third Degree, which carries a maximum sentence of seven years in jail; Offering a False Instrument for Filing in the First Degree, which carries a maximum sentence of four years in jail; and Defrauding the Government, which carries a maximum sentence of four years in jail. An employee of DOHMH from 1985 until 2004, NOLTE made \$85,000 a year prior to his termination.

The City's overwhelming concern with this matter is for the health and well-being of children in day care centers that are inspected by the City. New Yorkers expect and should receive the very highest level of integrity and work product from City employees. This defendant's frequent absences from his responsibilities at DOHMH suggest that he compromised his duty to oversee and manage the inspectors under his supervision. DOI intends to conduct random double-check inspections of day care facilities to ensure that day care centers are being properly inspected. Furthermore, may this case remind City employees and contractors that, according to City Charter, no public servant shall have an ownership interest or a position with a firm that is engaged in business dealings with the City agency for which the public servant works. Breaching these rules can have serious consequences, which are determined by the City's Conflicts of Interest Board.

After receiving an anonymous tip in June 2004, DOI initiated an investigation that found that NOLTE was often not at work during the hours he had indicated on his time sheets. Investigators also determined that NOLTE used other calculated efforts to conceal his work for Cicatelli Associates, which specializes in developing, delivering and evaluating training programs and conferences for health care professionals, including Nolte's then-employer, the DOHMH. At times, NOLTE attributed his work absences to sick leave or bereavement leave when in fact he was working for Cicatelli in locations as far away as Syracuse and Albany.

From 1995 through September 2004, NOLTE was the Director of the Bureau of Day Care, which is responsible for licensing and inspecting day care facilities in New York City. Unrelated to this investigation, NOLTE was terminated from his employment at DOHMH as part of an overhaul of the Bureau of Day Care after an infant, Matthew Perilli, died at Devlin Daycare Center in Queens in August 2004. Perilli, who had not been properly supervised, was found unconscious in a crib in the day care facility. After a joint investigation between DOI and the Queens District Attorney, the owner and operator of that daycare center, Heather Zlotshewer pled guilty to Reckless Endangerment in the Second Degree. As part of her plea, she agreed to serve 1,250 hours of community service and is barred from seeking or accepting employment in child care and from applying for a license or permit to operate a child care facility.

DOI thanks the Office of Manhattan District Attorney Robert M. Morgenthau for handling the prosecution of Mr. NOLTE.

*DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.*

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