

NEWS FROM THE ULSTER COUNTY OFFICE OF THE COMPTROLLER

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For release: Immediately
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Ulster County Comptroller Releases Report on Samadhi Center Payment and Contract Approvals

Kingston, NY (February 5, 2025) – Ulster County Comptroller March Gallagher released a report today detailing the reasons for the stop payment order issued by the Comptroller with respect to payments and contract approvals for the Samadhi Center, Inc.

The report provides background on why the Comptroller took a heightened level of scrutiny in reviewing Samadhi contract performance which included the use of opioid settlement funds, questions arising from contract interpretation, and quality of services rendered.

As a result of the Comptroller's contract performance review, the Comptroller was provided the Samadhi Center's 2022 external audit which identified \$55,000 in unsubstantiated ATM withdrawals. Further review of the Organization's 2023 bank statements identified a combined total of \$190,210 in cash withdrawals, ATM withdrawals and Paypal/Venmo/CashApp payments made to individuals indicating that the concerning lack of internal controls identified continued beyond 2022.

In addition to concerns over cash, the Comptroller identifies a number of other risks presented by the operation of the Samadhi Center. These risks include undocumented loans, the payments of what appear to be personal expenditures, payments to family members, rapid organizational growth, misstatement of credentials, an expansive real estate footprint, and governance issues with the Board of Directors.

"We are aware that policy makers and families in Ulster County are seeking solutions for opioid addicted loved ones, and we share their concerns," said Ulster County Comptroller March Gallagher. "However, the organizations with which the County contracts must have good controls in place to protect taxpayer money. Many of the risks identified within the Samadhi Center's operation leave me unable to assure taxpayers that their funds are not being used for inappropriate purposes. Ulster County's recent request for proposals for housing clients with substance use disorder made it even more imperative that we share our concerns with policy makers, donors, and the community at large at this time."

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