



Offices of the
Inspector General

Lucy Lang
Inspector General

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December 28, 2022

Richard A. Ball
Commissioner
New York State Department of Agriculture
and Markets
10B Airline Drive
Albany, New York 12235

Re: NYS IG 2003-025-2021

Dear Commissioner Ball:

On August 23, 2021, the New York State Department of Agriculture and Markets referred a complaint to the Offices of the New York State Inspector General alleging multiple improprieties involving [REDACTED], the concessions manager at the New York State Fair.¹ Specifically, the complainant alleged that [REDACTED] received ride wristbands from fair vendor Wade Shows from 2017 through 2021, which she inappropriately distributed to friends, family, and coworkers. It was also alleged that [REDACTED] was provided free use of a golf cart by fair vendor Abel Smith Tents during the 2021 fair.

The Inspector General's investigation found that [REDACTED] inappropriately provided ride wristbands to coworkers and their families, received free use of a golf cart, and accepted gifts from vendors in violation of Agriculture and Markets policy. Moreover, the investigation found that the State Fair lacks clear policy delineating the circumstances warranting the distribution of wristbands and neglected to track the receipt and distribution of the same since 2015.

By way of background, the State Fair has contracted with Wade Shows to operate the Midway² at the State Fair since 2014. Wade Shows sells wristbands to State Fair attendees, which allow for unlimited carnival rides. A wristband for unlimited rides on a single day costs between \$30 and \$40.³

¹ The Division of the New York State Fair is within the New York State Department of Agriculture and Markets. *See*, Agriculture & Markets Law, Chapter 69, Article 2-A.

² The Midway is a 60-acre paved area at the fairgrounds where games, rides, and concessions are located.

³ The cost of the wristbands varies depending on factors including the given year, day of the week, and whether they were purchased in advance or at the time of entry, among other factors.

The [REDACTED] of Wade Shows testified to the Inspector General that Wade Shows has provided the State Fair with a quantity of ride wristbands since 2014. According to the [REDACTED], these wristbands are given to [REDACTED] to use for customer service purposes and not personal use. State Fair staff confirmed this, explaining that the wristbands are meant to be given to State Fair attendees who complain of negative experiences (e.g., lost wristbands, unprofessional staff behavior, etc.) at the fair. During the relevant period, the wristbands were stored in [REDACTED] office and primarily distributed by [REDACTED] and the then State Fair Director, [REDACTED].

The Inspector General's investigation found that [REDACTED] inappropriately gave ride wristbands to State Fair staff and their families. In testimony to the Inspector General, [REDACTED] admitted that she had given wristbands to State Fair staffers but claimed it was always with the knowledge of [REDACTED]. However, [REDACTED] denied any knowledge of this in his testimony to the Inspector General. Multiple State Fair employees confirmed to the Inspector General that they had received wristbands from [REDACTED]. One employee advised he was given four wristbands in 2018 or 2019 for his grandchildren and was told they were "courtesy of Wade Shows." He admitted that upon reflection, it was wrong of him to accept the bands. Another employee stated that [REDACTED] had given his children three wristbands for the 2021 State Fair. He advised that he was unaware that accepting the bands was prohibited.

The investigation also found that Wade Shows does not adequately document the number of wristbands provided to the State Fair. Documentation provided by Wade Shows reveals that it provided 148 wristbands in 2016, 97 in 2017, 145 in 2018, and 313 in 2019.⁴ However, according to Wade Shows, these totals include wristbands for "guest services purposes or possible errors in coding" that were not provided directly to the State Fair. Wade Shows was unable to provide documentation reflecting the number of wristbands provided to the State Fair in 2021. Its [REDACTED] testified that he believes the total in 2021 was 50 to 100 wristbands.

The investigation further found that the State Fair has no clear policy delineating the circumstances warranting the distribution of wristbands and it neglected to appropriately document its receipt and distribution of wristbands. [REDACTED] informed the Inspector General that the State Fair did not track its receipt or distribution of wristbands in a log or otherwise and although he preferred [REDACTED] to document this in some manner such as an email, this often did not occur.

During the investigation, the Inspector General learned that in 2019, Agriculture and Markets conducted an audit of State Fair "contract adherence," which noted the need to address the use of the wristbands and their lack of tracking. Specifically, the audit found that "there were no accountability controls in place" and recommended that the State Fair "work with Wade Shows to ensure they put in additional revenue accountability controls to mitigate the risk of underreported revenue" and "a method of accountability should be developed." The State Fair, which agreed with the audit findings, indicated it would "schedule calls with Wade Shows to discuss these findings and what better controls can be implemented going forward." Despite this, the State Fair did not act to address the concerns raised. [REDACTED] advised that although he had not dealt with these issues as they were not a priority, he believes that the State Fair should cease distributing wristbands and Wade Shows should handle its own customer service issues.

⁴ The 2020 State Fair was canceled due to the COVID-19 pandemic.

Of note, in her interview with the Inspector General, [REDACTED] misrepresented her tracking of the distribution of wristbands during the 2021 State Fair. She provided investigators with a log that she claimed she had created contemporaneously during the 2021 fair, which purportedly listed the names of customers who received complimentary wristbands and the reason for doing so (their complaint). However, the Inspector General determined that the log had actually been created in March 2022, during the period in which the Inspector General was conducting interviews on this matter. Moreover, the log contained false and misleading representations. The investigation found that more than half the names listed on the log were State Fair customers who had submitted complaints through the State Fair website in 2015, 2016, and 2018. This website forwards complaints to an email box to which [REDACTED] has access. Moreover, four customers listed on the log denied receiving any wristbands, and another claimed the number attributed to him was inaccurate. Yet another advised he did not receive a wristband but rather ride tickets.

The Inspector General's investigation also found that [REDACTED] accepted gifts from fair vendors in violation of Agriculture and Markets policy prohibiting the same. According to witnesses, [REDACTED] accepted gifts on multiple occasions from vendors including alcoholic beverages, hair straightener, and leather goods. [REDACTED] testified that State Fair vendors had given her candy, homemade wine, and curling irons, which she put out for other staff to take. She explained that she felt obligated to accept the gifts since the vendors typically will not take no for an answer and will simply leave the gifts. [REDACTED] noted that she was aware of State Fair policies prohibiting the acceptance of gifts and she acknowledged that her acceptance of gifts was wrong.

Lastly, the Inspector General substantiated the allegation that [REDACTED] utilized a golf cart provided by a fair vendor, Abel Smith Tents. According to its [REDACTED], he had an extra cart, which he left parked outside the administration building and allowed [REDACTED] and other staffers to use. He denied receiving anything in return for its use. [REDACTED] admitted to regularly using the cart during the fair but claimed it was with [REDACTED] knowledge. [REDACTED] denied any knowledge and indicated he believed the cart was rented.

Given these findings, the Inspector General recommends that Agriculture and Markets take the following action:

- Determine if State Fair personnel should continue to receive and distribute ride wristbands for customer service purposes or if customer complaints should be handled by the Midway vendor, currently Wade Shows. If the former, develop policies and procedures for the tracking of bands received and distributed (e.g., the identification of the recipient, reason for distribution, etc.) and to address procedures for unused wristbands at the conclusion of each fair. If the latter, memorialize in writing any agreement with Wade Shows as to its handling of customer complaints and its distribution of wristbands.
- Conduct periodic audits of the distribution of wristbands at the State Fair and ensure follow up action on audit findings and recommendations—including those of the 2019 Agriculture and Markets audit of State Fair “contract adherence”—to confirm recommendations as to remedial actions have been taken.

- Provide ethics training and reminders to State Fair staff on prohibitions on the receipt of gifts, and disseminate information to vendors about these gift prohibitions.
- Consider appropriate disciplinary or administrative action with respect to the conduct of [REDACTED].

I am also providing the findings of this investigation regarding [REDACTED] to the New York State Commission on Ethics and Lobbying in Government for its review.

Please advise me of any action taken by Agriculture and Markets in response to these recommendations within 45 days of the date of this letter. If you require further information, please contact Deputy Inspector General Jeffrey J. Hagen at [REDACTED].

Sincerely,



Lucy Lang
Inspector General

cc: Scott H. Wyner, Esq.
General Counsel
New York State Department of Agriculture and Markets

Sanford N. Berland, Esq.
Executive Director
New York State Commission on Ethics and Lobbying in Government