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May 18, 2015

Rose Harvey
Commissioner
New York State Office of Parks, Recreation and Historic Preservation
625 Broadway
Albany, New York 12207

RE: NYSIG 0014-010-2014

Dear Commissioner Harvey:

In January 2014, my office obtained information indicating that Office of Parks, Recreation and Historic Preservation (OPRHP) [REDACTED] allegedly misused his state-issued travel credit card. As described below, we found that [REDACTED] improperly used his travel card on at least 10 occasions, and that OPRHP failed to detect and address this misuse in a timely manner.

[REDACTED] began employment at OPRHP in October [REDACTED], and shortly thereafter was issued a New York State Citibank travel card. Prior to his first use of the card, [REDACTED], on December 3, 2012, signed a standard form acknowledging his receipt of the card and that he had read and understood the “terms and conditions” of its use. Specifically, the form states, among other instructions, that the card may only be used to pay travel expenses related to official state business, and that “it is important that you **submit your travel expense report promptly** in order for all charges to be reconciled.” [Emphasis in original] At the time he signed the acknowledgement form, [REDACTED] also was provided information regarding travel guidelines issued by the Office of the State Comptroller (OSC).

Our investigation revealed that between December 4, 2012, and October 17, 2013, [REDACTED] used his state-issued credit card in 43 transactions, but the OPRHP business office did not reconcile, or review for appropriateness, any of these transactions during this period. After making several charges on the card, [REDACTED] provided his receipts to the business office for entry in the then newly implemented Statewide Financial System (SFS) as part of the reconciliation

process. As the business office was still in the process of adapting to SFS, it was unable to enter ██████ expense reports into SFS at that time, and advised him he would be notified when the issue was resolved so he could resume submitting the receipts. However, ██████ said he heard nothing more from the business office and submitted no further receipts, despite continuing to use the travel card. When questioned about this delinquency by the business office, ██████ ██████, the then-████████████████████ acknowledged to my office that the business office should have implemented an alternate means of reviewing and reconciling ██████ transactions, but failed to do so.

In January 2014, as part of an end-of-the-year review of SFS outstanding unreconciled charges, ██████ learned that 43 of ██████ travel card transactions remained unreconciled. Apparently, the problem that prevented submission and reconciliation of ██████ expense reports, as discussed above, did not affect the posting of each transaction to SFS, which occurs automatically at the time of the transaction. It must be noted that this information was accessible to ██████ and other members of the business office prior to January 2014. ██████ explained to my investigators that in response to her discovery in January 2014, she and other staff reviewed travel card receipts and other documentation relating to ██████ travel to determine if his use of the card was appropriate. According to ██████ this review identified no misuse of the card, and she approved the charges and reconciled them within SFS.

After my office obtained information regarding ██████ possible misuse of his travel card, we conducted an independent examination of his 43 transactions. Contrary to the business office's review, our examination identified 10 charges totaling \$191.56 made by ██████ that were improper. Many of the charges occurred when ██████ was either not in travel status or had returned from travel and purchased meals at times not allowable under OSC rules. For example, on July 9, 2013, ██████ misused the card to purchase a meal at a restaurant in Clifton Park at 2:27 p.m., approximately three hours before the end of his official work day, in violation of OSC travel guidelines. The improper charges uncovered by my office indicate that the review of ██████ transactions by the business office was inadequate. Even a cursory review of the timestamp indicated on the receipt would have revealed that ██████ was not entitled to this meal, and caused the business office to reject this expense. It is also noteworthy that ██████ first use of his travel card, on December 4, 2012, was improper. Therefore, had a timely review of this transaction by the business office occurred, as required, the appropriate use of a state-issued credit card could have been addressed at that time.

We also found that ██████ appears not to have been sufficiently instructed in the proper use of the card at the time of its issuance, despite being provided OSC travel guidelines for his review. He advised us, "My understanding was, coming into this job, 'Here's your travel card. Any expenses, charge them. Any egregious charges you'll have to answer for it.'" According to ██████ it was not until after his misuse of the card was detected in January 2014 that he was informally trained in specific OSC travel rules by the OPRHP personnel director.

I recommend that OPRHP reinstruct all business office staff and other appropriate employees in the procedures related to the review and reconciliation of travel expenses. Training in the proper use of travel cards should be provided to all staff at the time of their issuance and periodically thereafter. OPRHP also should conduct a thorough review of all travel expenses

incurred by [REDACTED] and obtain reimbursement for any improper charges, including those identified by our investigation. Further, I recommend that OPRHP reiterate to agency employees their obligation to promptly notify my office of misconduct, as required by Executive Law Article 4-A, section 55(1).

It is requested that within 45 days you advise this office of any actions or decisions taken in response to the above recommendations. If you have any questions regarding this matter, you can contact Deputy Inspector General Audrey Maiello Cunningham at (518) 474-1010.

Sincerely,

[REDACTED]

Catherine Leahy Scott
Inspector General