



STATE OF NEW YORK  
OFFICE OF THE STATE INSPECTOR GENERAL

**Final Report**  
**December 20, 2007**

**Bilingual Center Director Quits In Fraud Probe**

SUMMARY OF FINDINGS/RECOMMENDATIONS

The Office of the State Inspector General determined that Maria Garcia Underwood defrauded the Research Foundation of the City University of New York (RFCUNY) of more than \$3,500 while she was director of the NYS Manhattan/Staten Island Regional Bilingual/ESL Education Technical Assistance Center (BETAC). Underwood submitted phony expense forms for airplane tickets and a hotel stay and used a RFCUNY purchasing card for meals, limousine service and consumer goods. After Underwood was questioned by the Inspector General's office, she resigned her post, effective October 31, 2007. Inspector General Kristine Hamann referred the findings to the New York County District Attorney for prosecution.

ALLEGATIONS

In July, 2007, the Inspector General's office received a complaint that Underwood had misused her BETAC purchasing card, also called a purchasing card, on personal expenses and that she received a cash advance for a trip she never took and didn't return the money.

Specifically, it was alleged that Underwood received a cash advance to attend the National Association of Bilingual Educators conference in Phoenix, Arizona in November 2005, although she never attended. It was further alleged that Underwood had wrongly purchased personal items with her RFCUNY card. The Inspector General conducted a joint investigation with the Audit Department of RFCUNY.

SUMMARY OF INVESTIGATION

Underwood, 45, was appointed BETAC director in 2004. BETACs are sponsored by the New York State Education Department's Office of Bilingual Education. They provide technical assistance and professional development to English as a Second Language and bilingual educators at 14 centers across the state.

The NYS Manhattan/Staten Island Regional BETAC is located at Hunter College, which is part of the City University of New York system. The center receives grants from RFCUNY and RFCUNY paid Underwood's \$90,740-a-year salary. It also issued Underwood a purchasing card, which is a debit card for BETAC expenses.

### **The Phoenix, Arizona Conference**

In November 2005, Underwood was scheduled to attend the National Association of Bilingual Educators conference in Phoenix, Arizona. Underwood charged two round-trip airline tickets on America West Airlines for the flight to Phoenix for herself and her husband. These tickets cost \$317 each. It was later determined that Underwood's husband had no official purpose at the conference, although Underwood claimed he would be a 'co-presenter.' The total cost of the conference was \$1,738, including airline tickets, a registration fee of \$270 plus the cash advance. She submitted a request for a cash advance for the trip of \$834, which she received.

The Inspector General found that Underwood did not attend the conference. Maria Torres, a Resource Specialist at BETAC who attended the conference, told investigators that Underwood cancelled her trip. That information was confirmed by America West, whose records show that Underwood's reservation was cancelled and the tickets were never used. Additionally, the Phoenix Hyatt Hotel, where Underwood said she stayed, did not have Underwood registered as a guest during the conference.

Months later, Underwood submitted a false receipt for \$518, purportedly from the Hyatt Hotel, in support of her cash advance. As documentation, Underwood created a fake receipt for room 668, which, according to the Hyatt, does not exist. The highest room number on the sixth floor of the Hyatt is 667. Underwood apparently altered a receipt previously submitted by Maria Torres, who attended the conference and stayed in room 663. Torres was one of three staffers who reported to Underwood.

The last five digits of the credit card shown on Underwood's phony receipt match those of Maria Torres' legitimate receipt. As stated by Torres to investigators, and confirmed by the hotel, the last five digits on Torres' receipt were for her credit card and Torres was the only person to use her credit card at the conference. Finally, Torres and Underwood have the same first name, Maria. But the font for Underwood's last name on her phony receipt appears to be different from that used for "Maria" on both receipts.

### **Personal Expenditures on Underwood's RFCUNY Card**

The Inspector General found that Underwood also made a series of personal purchases for which she gave false explanations or could offer no explanation at all. In one instance, evidence points to Underwood using her purchasing card at Bronx Eye Care for an eye exam, frames and lenses for a total of \$441. Underwood's purchase was questioned by the manager of Procurement and Payables at RFCUNY. Underwood told the manager that she had purchased 300 eyeglass holders as mementos to be given to

students attending the 2006 Hispanic Youth Leadership Institute in Albany, New York. She also bought \$279 in cosmetics at Nordstrom, saying it was for the conference bags.

When questioned by investigators, Underwood changed her story, claiming she'd purchased sunglass clips, which are clipped over prescription eye glasses, as conference mementos. Bronx Eye Care stated that it does not sell eyeglass cases in bulk or inscribed clips at all. Additionally, Velma Rosario, BETAC office manager, who was part of a committee creating the conference bags to be distributed, told investigators that the purpose of the bag was to disseminate information about the conference. Although some mementos were added, Rosario said that no eyewear items were included. No cosmetics were included.

Underwood countered that Rosario could not have stuffed the bags because Rosario didn't arrive until the day of the conference. However, Rosario's hotel bill indicates she checked in the day before the conference started, contradicting Underwood's claim.

Underwood also charged meals to her RFCUNY purchasing card. The Inspector General found that from July 1, 2006 through June 30, 2007, Underwood inappropriately charged 12 meals at a cost of \$610. More than half that, \$348, was spent at Salvatore's of SOHO on Riverdale Avenue in the Bronx, approximately one and a half miles from Underwood's home. Underwood's office is located at Hunter College at Park Avenue and 68<sup>th</sup> Street in Manhattan, New York, several miles from Salvatore's.

For other restaurant meals charged on her purchasing card, Underwood's usual justification was that staff meetings were held at the restaurants. BETAC staff told investigators that they did not attend staff meetings at those restaurants.

Underwood also expensed more than \$1,000 to take the Miles Limo car service, paid \$212 to have seven poinsettias delivered to her home and wrote off a \$35 "Bare Escentuals" eyebrow kit. On days she was 'out sick', Underwood expensed \$106 at the Cheesecake Factory and \$162 at the Hyatt Hotel.

Based on the submission of false documents and the charging of personal expenses to a purchasing card issued to Underwood for business purposes, the Inspector General finds that Underwood misappropriated more than \$3,500 and can be charged with various crimes based on the aforementioned information. They include grand larceny, false filings, and the creation of false business records.

## FINDINGS AND RECOMMENDATIONS

The Inspector General substantiated that Underwood misappropriated in excess of \$3,500 of RFCUNY funds and defrauded the Research Foundation by submitting a false document to verify expenses she never incurred and by using her purchasing card for personal expenses, some of which were disguised as business expenses.

After Underwood was interviewed concerning these allegations, she resigned her position effective October 31, 2007.

The Inspector General has referred this matter to the New York County District Attorney's office for prosecution.