



STATE OF NEW YORK  
OFFICE OF THE STATE INSPECTOR GENERAL  
**Final Report**  
**October 20, 2009**

**Buffalo State College Employee Charged in Larceny**

SUMMARY OF FINDINGS/RECOMMENDATIONS

The New York State Inspector General found that State University of New York (SUNY) Buffalo State College employee Nelson Locher sold state-owned wooden pallets to two local lumber companies and retained the proceeds of the sales. The Inspector General has referred these findings to Buffalo State College for appropriate disciplinary action.

ALLEGATION

On April 9, 2008, the Inspector General received a complaint alleging that the former Senior Stores Clerk at Buffalo State College, Nelson Locher, sold state-owned wooden pallets to a local lumber company and kept the proceeds of the sales.

SUMMARY OF INVESTIGATION

Prior to September 2007, Nelson Locher was employed by Buffalo State College as a Senior Stores Clerk. Subsequent to that date, Locher was transferred to the college mail department. As Senior Stores Clerk, he supervised and administered Buffalo State College's primary stockroom. Specifically, he was responsible for ordering supplies from various state contract vendors, creating and processing requisitions, unloading trucks, stocking the storeroom's shelves, and pulling orders as needed.

During his tenure as Senior Stores Clerk, Locher was also responsible for the collection and removal of wooden pallets received as part of shipping materials for items sent to Buffalo State College. Locher arranged for Neville Lumber, among others, to retrieve and remove the pallets. After Locher's transfer to the college mail department in September 2007, Cynthia Russell assumed the position of Senior Stores Clerk. Russell subsequently was approached by an employee of Neville Lumber who, according to Russell, told her, "We pick up pallets and make a check out to you; we used to make the checks out to Locher." The Neville employee then asked her "what address should I make the check out to?" Russell appropriately advised the employee that he should make out the checks to Buffalo State College, attention Richard Saddleson.

The Inspector General obtained copies of a Neville Lumber "Pallet Acquisition Form" related to the purchase of pallets at Buffalo State College. The forms instructed that payment for the pallets should be sent to Nelson Locher's home address and were annotated, "Special Instructions: call B/4 P/U- talk to Nelson only P/U when Nelson is there." The Inspector General interviewed Donald Rydza, the former Neville Lumber salesman who dealt with Locher and who filled out the forms. He advised the Inspector General that payments for the pallets which Neville Lumber picked up at Buffalo State College were sent directly to Nelson Locher at his home address in Hamburg. When asked why it was done this way, Rydza stated, "That is what he asked for."

Rydza reported that, after Nelson was transferred, another person whose name he could not remember took over. Consistent with Russell's statement, Rydza stated that this person advised him to send the check to Buffalo State College, attention Rich Saddleon. The Inspector General also obtained bank records which confirmed that Neville Lumber paid Locher personally and that Locher cashed the checks. The records revealed five cashed checks between April 12, 2007 and July 12, 2007, totaling \$205.

The Inspector General interviewed Locher. He acknowledged that he was responsible for the disposal of pallets accumulated in the storeroom. When asked if he ever accepted any money for the pallets, he answered, "I gotta [sic] admit there was one time when I did accept a couple of checks from I think it was Neville Lumber Company. I knew it was wrong, and I stopped it." When questioned about the number of checks he received, Locher said that he did not recall the precise number, but added "not many, three or four." As for the proceeds, Locher admitted that he "cashed them" and "spent the money for the guys in my shop." Locher added, "I knew it was wrong, but I did it for a little while."

The Inspector General confronted Locher with Neville Lumber's forms which included Locher's home address and the instruction that payment should be sent there. He replied, "I admit I'm wrong. I did it." Locher was shown copies of each of the five Neville Lumber canceled checks. He admitted that it was his signature and account number on the back and that he had cashed each of the checks. Locher indicated that he would pay the money back.

After consultation with the Erie County District Attorney, on February 20, 2009, the Inspector General and the Buffalo State College University Police arrested Locher on the charge of Petit Larceny in violation of New York Penal Law § 155.25. Locher was subsequently granted an Adjudgment in Contemplation of Dismissal conditioned upon his payment of \$205 in restitution to Buffalo State College.

Subsequent to the disposition of this criminal case, the Inspector General discovered that Locher had also sold state-owned pallets to another company. Thomas Jankowiak of Pallet Exchange informed the Inspector General that he purchased pallets from Locher on 10 instances at Buffalo State College in 2001 and had paid Locher personally by check. Jankowiak provided the Inspector General with business records showing that 10 checks were paid to Locher in 2001 for pallet purchases totaling \$669. Jankowiak also advised the Inspector General that Locher personally picked up these

checks at the Pallet Exchange offices. The Inspector General's Office advised the Erie County District Attorney's Office of these findings.

## FINDINGS AND RECOMMENDATIONS

The Inspector General found that SUNY Buffalo State College employee Nelson Locher sold state-owned wooden pallets to two local lumber companies and kept the proceeds of the sales for his personal benefit. As a result of this investigation, Locher was arrested and charged with Petit Larceny relating to his sale of pallets to Neville Lumber for \$205. Locher was subsequently granted an Adjournment in Contemplation of Dismissal (ACD) and paid restitution in the amount of \$205 to Buffalo State College. The Inspector General further finds that during his testimony to the Inspector General, Locher was neither truthful regarding the number of checks nor the amount of money received for selling the pallets.

The Inspector General recommends that Buffalo State College institute disciplinary action against Locher to include requiring restitution to the college of the \$669 Locher improperly received from the sale of pallets to Pallet Exchange. The Inspector General further recommends that Buffalo State College consider Locher's lack of honesty to the Inspector General during this investigation in the disciplinary action against him.

The Inspector General is also forwarding these findings to the New York State Commission on Public Integrity for a determination whether Locher's conduct violated the ethical prohibition of using one's official position to "secure unwarranted privileges . . . for himself or others." (Public Officers Law §74(3)(d)).

Buffalo State College Vice President for Finance and Management Stanley Kardonsky advised the Inspector General that the college will take action concerning Locher's conduct "to the extent permissible" under the applicable collective bargaining agreement.