



STATE OF NEW YORK
OFFICE OF THE STATE INSPECTOR GENERAL
Final Report
February 11, 2009

SUMMARY OF FINDINGS/RECOMMENDATIONS

The New York State Inspector General found that Joseph Jacobs, an employee of the New York State Office of Mental Health, intentionally and unlawfully cashed the same paycheck at two separate locations. Jacobs was arrested and pleaded guilty to Attempted Grand Larceny.

ALLEGATION

On August 28, 2008, the New York State Department of Tax and Finance referred a check-cashing business proprietor's allegations of Jacobs' alleged criminal activity to the Inspector General. The proprietor reported that after Jacobs had cashed his New York State Payroll check in the amount of \$2,454.20 at his store on August 13, 2008, a new employee at the store inadvertently returned the check to Jacobs with the cash. Jacobs then cashed the check again at a second check-cashing business.

SUMMARY OF INVESTIGATION

The Inspector General interviewed the representatives from both check cashing business and reviewed relevant documents, including copies of the check in question. Investigation revealed that the check had been presented for cashing at JTS in Queens County, at which time the teller endorsed the check "Banco Popular," the bank that processes checks for JTS. When Jacobs presented the check for cashing a second time, at Pay-O-Matic, the Banco Popular endorsement had been crossed out.

JTS proprietor Tim Ozkan informed the Inspector General that on August 13, 2008, at 9:24 p.m. a new teller, Sohfiury Luna, endorsed Jacobs' payroll check, cashed it, and then mistakenly returned it to Jacobs. Luna realized her mistake after Jacobs departed with his cash and check, but did not inform Ozkan until two days later. Ozkan learned that the check had been presented a second time for payment at Pay-O-Matic. When Ozkan contacted Jacobs that day and requested return of the check, Jacobs stated he no longer had the check. Ozkan then notified the New York State Department of Taxation and Finance.

The Inspector General also interviewed Luna who, stated that she did not know Jacobs and gave a substantially similar account to that of Ozkan. Luna stated that she did not cross out the Banco Popular endorsement.

Joseph Pistocchi, financial crimes investigator for Pay-O-Matic, informed the Inspector General that the check in question had been cashed at Pay-O-Matic on August 13, 2008 at 10:30 p.m., and that the transaction had been performed by teller Shele Toney. He provided the Inspector General with photographs of Jacobs cashing the check, and copies of Jacobs' driver license and the check in question. Toney recognized the photograph of Jacobs recorded at Pay-O-Matic on August 13, and recalled that Jacobs had claimed that the Banco Popular endorsement was crossed out because he had attempted, unsuccessfully, to cash his check.

On October 1, 2008, the Inspector General interviewed Jacob, who admitted that he had cashed his payroll check twice, stating:

I Joseph Jacobs went to the check cashing place on Merrick Blvd. to cash my check[.] When the employee cashed my check she gave me the cash and my check back. I then wrongfully went to another check cashing store and cashed the check again. The second Check Cashing Place was on Conduit Ave in Queens. I used Bad Judgement [sic] and except [sic] Responsibility for my actions.

On October 21, 2008, Jacobs voluntarily surrendered himself to the New York City Police Department's Detective Squad within the Office of the Queens County District Attorney. On December 18, 2008, he pleaded guilty to a charge of Attempted Grand Larceny and was sentenced to a term of five years probation.

FINDINGS AND RECOMMENDATIONS

The Inspector General found Jacobs unlawfully cashed his state payroll check twice. He pleaded guilty to Attempted Grand Larceny and was sentenced to five years' probation. The Inspector General recommends that the Office of Mental Health take appropriate disciplinary action.