



STATE OF NEW YORK
OFFICE OF THE STATE INSPECTOR GENERAL

Final Report
August 3, 2007

State Parks Manager Admits to Theft of Agency Funds

SUMMARY OF FINDINGS/RECOMMENDATIONS

The Office of the State Inspector General conducted an investigation of an allegation that a manager at Riverbank State Park was using the State tax identification number to purchase personal items for an art supply store he owned. While the Inspector General was unable to substantiate this particular allegation, the investigation conducted jointly with the New York State Park Police uncovered another theft committed by the manager. The manager was arrested and subsequently pled guilty to a criminal charge. The New York State Office of Parks, Recreation and Historic Preservation (OPRHP), which operates Riverbank State Park, is implementing improved monetary controls.

ALLEGATION

The Inspector General received a complaint that David Flores, a manager employed by the OPRHP, was using the State tax identification number to purchase personal items for an art supply store that he owned.

SUMMARY OF INVESTIGATION

Riverbank State Park is a major state park in New York City. Flores was the Director of Administration at Riverbank State Park who, along with his staff of five employees, had access to cash receipts from the park and had authority to make purchases using the OPRHP issued tax identification number. The initial allegation was that Flores was using the agency's tax identification number to purchase items for his art supply store. The Inspector General reviewed purchase requisitions submitted by Flores's department. The analysis did not reveal any suspicious or improper purchases. Similarly, the Inspector General could not determine if any items in the store owned by Flores, Tomorrow Artist & Dancers in New York City, had either been purchased using the state tax identification number or had been purchased by the state and taken to the store for resale. Additionally,

at the time the Inspector General examined the store, it was going out of business and there was little inventory on hand.

During the course of this investigation, however, the Inspector General learned from the New York State Park Police that Flores was being investigated for two additional allegations of theft. One theft, occurring in January 2007, involved \$16,000 stolen from a safe located in the revenue office at Riverbank State Park. The second theft involved a printer which had been stolen two years earlier from Riverbank. Flores allegedly used his own funds to purchase the printer at a cost \$2,495. Flores directed his staff to set aside revenue from sales at Riverbank to repay him for the printer. Unbeknownst to the staff, Flores additionally submitted a purchase order request for that same printer which was approved and paid for by the agency. Flores refused to cooperate with the investigation and was ultimately terminated from his position. The Inspector General conducted numerous interviews of Flores's staff and was able to substantiate that Flores had twice reimbursed himself for the printer.

In February 2007, the New York State Park Police arrested Flores on a charge of Grand Larceny in the Fourth Degree. In May 2007, Flores pled guilty to Petit Larceny, a class A misdemeanor, and made restitution of \$2,495 to the State. He was prosecuted by the Manhattan District Attorney's Office.

FINDINGS/RECOMMENDATIONS

As a result of the investigation conducted by the Inspector General and the Park Police, OPRHP employee David Flores was arrested and successfully prosecuted on a criminal charge. Flores was terminated from his position. During the course of this investigation, it was apparent that there were weaknesses in Riverbank's internal controls concerning the collection of cash receipts at the park. Many of the services offered at Riverbank require a fee and the fee is paid in cash. Guidelines to track this cash flow were either not in place or not adhered to by OPRHP personnel. OPRHP has undertaken an extensive review of the monetary controls in place at Riverbank and will implement new financial guidelines to prevent a recurrence of this method of larceny.