



**New York City Department of Investigation
Report on Fraud by a Former Employee of the
Kings County Public Administrator's Office**

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October 2018

I. Executive Summary

In March 2018, the New York City Department of Investigation (DOI), in partnership with the Kings County District Attorney's Office (KCDA), initiated an investigation into allegations of tens of thousands of dollars in theft perpetrated by an employee of the Office of the Public Administrator for Kings County, New York (KCPA). The investigation began after DOI and KCDA were informed that Fitzroy Thompson, a case manager at KCPA, was arrested by the New York City Police Department (NYPD) on charges of Grand Larceny for theft of approximately \$5,000 related to the fraudulent use of a credit card belonging to a decedent whose estate KCPA was administering. The investigation determined that Thompson's fraud was broad in scope involving his misuse of multiple decedents' financial accounts to steal more than \$78,000. As a result, a Kings County Grand Jury indicted Thompson on additional criminal charges including Grand Larceny in the Second Degree (a "C" felony), Corrupting the Government in the Third Degree, Scheme to Defraud in the First Degree, and Identity Theft charges.¹ On October 31, 2018, the court arraigned Thompson on these charges.

As alleged in the indictment, DOI and KCDA determined that Thompson used his position at KCPA and his access to decedents' property to steal more than \$78,325, by misappropriating the bank debit and credit card information of at least eight decedents whose estates were being administered by KCPA. Thompson then used the stolen cards to make numerous charges, as follows: to purchase personal items for himself and his spouse, such as electronics and jewelry; to pay his rent, car lease, and utilities; and to fund travel-related expenses for himself and his family, including cruises, flights, and hotel rooms.

DOI also identified several vulnerabilities relating to KCPA's inventory controls for estate property. DOI made recommendations to KCPA to address these vulnerabilities, which KCPA has agreed to implement.

II. Investigation

A. The Office of Public Administrator

Each county in the City of New York has a Public Administrator whose office administers the estates of deceased persons who die without a will or who do not have anyone eligible or willing to administer their estates. KCPA is responsible for Kings County residents who have died under these circumstances. The Public Administrators' responsibilities include taking possession of the decedents' property and documents from decedents' homes or other sources; discovering additional assets; protecting assets from loss or theft; distributing assets to heirs; and liquidating assets at sales.

When KCPA administers an estate, KCPA investigators visit decedents' homes to collect property and documents, which they bring to KCPA's office for safekeeping. KCPA's practice is to send at least two investigators to a given location for retrieval of property. KCPA investigators are required to complete investigative reports after visiting the decedents' homes that include space

¹ An indictment is an accusation. The defendant is presumed innocent until proven guilty.

for investigators to summarize the visit and set forth “investigative steps.” KCPA does not currently have a separate inventory form requiring detailed description of the assets recovered at the homes of decedents. KCPA does not have a formal training program for investigators, but senior investigators provide informal training and guidance to new investigators in the field.

KCPA case managers do not generally visit the properties of decedents. Rather, case managers maintain files for each estate, review financial information, and contact banks and other financial institutions on behalf of the estate.

B. Fitzroy Thompson’s Theft from KCPA Decedents’ Estates

In December 2016, Thompson started working at KCPA as a case manager, earning approximately \$32,480 annually. In his capacity as a case manager, he had access to the information contained in the estate files. During 2017, to cover for one of KCPA’s investigators who was on an extended leave, Thompson accompanied other investigators on visits to decedents’ homes, which also gave him access to decedents’ property.

On March 8, 2018, Thompson was arrested by the NYPD for fraudulently using a credit card belonging to a decedent whose estate was being administered by KCPA. Thompson charged more than \$5,000 on the card, including for a cruise on Carnival Cruise Line, and for his car lease and rent. The March 2018 charges against Thompson included Grand Larceny, Criminal Possession of Stolen Property and Identity Theft. On July 26, 2018, Thompson resigned from his employment at KCPA.

After Thompson’s arrest, DOI, with the participation and cooperation of KCDA, investigated Thompson’s conduct with respect to other estates which he was involved with administering during his employment with KCPA. The joint investigation involved issuing more than 100 subpoenas to numerous banks and vendors, conducting analyses of financial records, and interviewing KCPA employees and other witnesses.

The investigation determined that Thompson misused debit and credit cards to steal more than \$78,325 from at least seven additional decedents whose estates KCPA was administering. Thompson had access to the decedents’ debit and credit card information through his KCPA position. Thompson used these stolen cards for expenses such as travel on Carnival Cruise Line, Virgin Atlantic, American Airlines, and JetBlue; hotel stays at Holiday Inn and other vacation properties; purchases made at Walmart, Fingerhut and BestBuy; payments for rent, car lease, telephone and cable; and ATM cash withdrawals totaling more than \$35,000. Most of the purchases were made online using decedents’ names and information, and tangible items were shipped to Thompson’s address.

III. Recommendations to Mitigate Future Risk of Fraud

DOI’s investigation revealed vulnerabilities in KCPA’s policies and procedures relating to the inventory and security of decedents’ property. DOI found that the investigative reports of investigators visiting the homes of decedents do not include a section to specifically itemize the inventory of property recovered during the visit. Although investigators sometimes reference

categories of property in these reports, KCPA investigators do not complete a separate, detailed inventory. DOI also found that KCPA did not consistently notify banks or credit card companies about decedents' deaths in a timely fashion. As a result, debit and credit card accounts of decedents remained active. As discussed above, Thompson used certain cards of decedents for an extended period of time as those accounts had not been closed.

After discussions with the current Kings County Public Administrator, who has provided full cooperation and assistance during this investigation, DOI issued the following recommendations to improve internal procedures and controls at KCPA:

1. KCPA should require that investigators and other employees, who visit and search estates of decedents, complete separate detailed inventory forms to accompany the investigative reports that are currently being completed by investigators.
2. These forms should, at a minimum, contain the following:
 - a. Detailed descriptions of the items and documents recovered from the estates;
 - b. Descriptions of how said items were removed and transported;
 - c. Photographs of specific items recovered.
3. All investigative reports and inventory forms should be reviewed and signed by all employees present at the search of the estates.
4. There should be supervisory review and approval of all inventory forms confirming receipt by KCPA of items recovered from the estates.
5. KCPA's office should, within one week of obtaining any credit or debit card, or other information identifying any financial institutions for a decedent, notify, in writing, the respective credit card companies and banks, of the decedent's death and request the closure of the account(s). In circumstances where the closing of the account(s) is not immediately possible, KCPA should request the financial institutions to place a hold or caution/alert on these account(s) and to immediately notify KCPA of any unauthorized use.²

IV. Conclusion

The investigation revealed that approximately \$78,325 was stolen using credit and debit cards that belonged to eight decedents' estates that were being administered by KCPA. Thompson has been arrested, indicted and arraigned on the charges relating to this theft. DOI also made

² Following Thompson's initial arrest, KCPA also implemented a new policy regarding handling of credit and debit cards recovered by investigators at the estates. The policy provides that cards are to be inventoried by description only (type of the card and name of the bank); account numbers are not to be recorded nor are the cards to be photocopied; and the cards will be shredded. In addition, KCPA stopped accepting any personal property, including debit or credit cards, from the NYPD.

recommendations to KCPA with respect to vulnerabilities relating to the inventory and security of the property of decedents, which KCPA has agreed to implement.