

Summary of 9-13-12 interview of Rob Boriskin

Interview and summary by Thomas M. Patton, Deputy Attorney General

Background

Rob Boriskin was assistant deputy director of administrative services at the Department of Parks and Recreation from February 2005 to April 2006. He initially reported to then-deputy director of administrative services Michael Harris. Boriskin had previously served five years at the Department of Fish and Game as assistant deputy director of administrative services. At Fish and Game, Boriskin had also reported to Harris, as Harris had been that agency's deputy director of administrative services as well. (Rob Boriskin 09-13-12 interview transcript (RBtr), p. 3)¹

Boriskin replaced Tom Domich at the Parks Department. The title of the position was changed when Boriskin came to the Department, and had previously been titled manager of the financial management division. As assistant deputy director of administration, Boriskin was the immediate supervisor over the budget and accounting sections, business and procurement services, contracts, and asset management. Boriskin explained that the budget section prepares the fund condition statements that are part of the agency's budget proposals and requests for spending authority. Budget proposals are based on available funds, which are reflected in the fund condition statements. (RBtr, pp. 3-9.)

Discrepancies in Balance Reports for the State Parks and Recreation Fund and the Off-Highway Vehicle Fund

1. Discovery and internal discussions

Boriskin recounted that not long after he started at Parks he noticed that a disparity existed with regard to the fund conditions reported by the Department. He did not recall the exact amount, but knew it was a large number and believed it was \$35 million dollars. Boriskin did not recall further details about the disparity. What he recalled was "there was a difference." He explained that he is "a spreadsheet kind of guy," that he must have created a spreadsheet, and that: "I saw how much money was in the funds, and then I saw this other document showed a different amount, and that concerned me." (RBtr, pp. 8-11, 21.)

¹ Although Boriskin stated that he served at the Parks Department from April 2005 to April 2006, Department records show that he started in February 2005.

Boriskin stated that the discrepancy he noticed was either in the State Parks and Recreation Fund (SPRF), the Off-Highway Vehicle (OHV) fund, or both. He recalled seeing a discrepancy and thinking “well, that’s weird, it’s not an expenditure issue, it’s not an authority issue, it’s just a fund condition issue.” (RBtr, pp. 14-16.) He specifically recalled that in one fund, which he could not identify, the balances reported in two places were different. He stated the bottom line was he saw that more money existed than had been disclosed in the budget documents, and thus more money existed than there was authority to spend. (RBtr, pp. 17-19.)

Boriskin stated that when he saw the fund condition disparity he brought it to the attention of then-budget officer Becky Brown, and that Brown told him not to worry about it and he was “blown off basically.” Boriskin stated he remembered his conversation with Brown because he liked and respected her, that both he and Michael Harris had “a ton of respect for” Brown, and he believed Brown was one of the people that “gave a favorable nod to me.” Boriskin also noted he had worked for Brown’s husband at Caltrans. He stated that Brown was one of the state’s most highly respected budget officers, and recalled that her retirement party was attended by senators and the head of the Department of Finance. Boriskin also stated that Brown’s former supervisor, Tom Domich, appeared not to have supervised Brown too much and simply let Brown do her thing because Brown was smart, worked hard, and cared about the department. Boriskin recalled discussing the matter with Brown once as she prepared to leave the Department and transition into retirement, and they had no additional conversations about it. (RBtr, pp. 9-12, 20-22, 51, 63.)

Boriskin stated he was uncomfortable with Brown’s response and it was not in his nature to heed her advice and simply not worry. He believes he said something to the effect of “no, this is my job.” Boriskin states that not long thereafter he talked to Michael Harris about it, and the conversation occurred some weeks before Harris went on leave in 2005. Boriskin stated he did not “remember specifically the conversation, but I am sure Michael and I talked.” Continuing, Boriskin stated: “I think Michael probably said, ‘well, Becky knows what she's doing, you need to trust her,’ or words to that effect.”² (RBtr, pp. 10-13, 21-22.)

² Boriskin stated he had the sense the people telling him not to worry about it were trying to protect the department and maintain some sort of rainy day fund, although Boriskin could not understand why. (RBtr, p. 16.)

Boriskin's recollection of discussing the matter with Harris was revisited twice during the interview. When asked how much time elapsed between Brown's initial disclosure and Boriskin's report to Harris, Boriskin stated: "I'm assuming fairly soon after that." He noted that he and Harris were "fairly friendly" and stated: "I'm assuming I went in and said, hey, Michael, I talked to Becky about this thing, and she thought - - she told me to back off, and he said, 'well, you know, she knows, she's been here a long time, Rob, you probably ought to believe that.'" (RBtr, pp. 21-22.) Later, Boriskin's recollection of discussing the matter with Harris improved. Boriskin stated without qualification that after Brown told him not to worry he worried nevertheless, and that he brought it to Harris's attention as he believes in the chain of command and was not content to simply do what his subordinate had instructed.³ (RBtr, pp. 47-50.)

Boriskin stated that within a few weeks after Harris and he had discussed the matter, Harris went on leave and Boriskin became "sort of acting" deputy director for administrative services for "a short period of time."⁴ (RBtr, pp. 13-14.)

2. Boriskin's conversations with Ruth Coleman

Boriskin indicated that while he was acting deputy director he attended two or three weekly executive committee meetings. Boriskin did not recall any discussion in those meetings about the financial disparity he had seen on the spreadsheets. (RBtr, p. 57.)

Boriskin also recounted being called into one-on-one meetings with Coleman while he was acting deputy director and discussing a variety of things. Boriskin recalled discussing the issues going on in administrative services, and recalls that the fund condition balance discrepancy was one of the issues. (RBtr, pp. 24-25.) Boriskin stated he recalled one such meeting with Coleman when they discussed various issues "on his plate," and the fund condition

³ Boriskin noted that Brown didn't feel she worked for Boriskin or Harris, but worked for Coleman instead. He stated the chain of command was not followed at Parks, and many people reported to whomever they chose. Brown stated his understanding that Brown reported directly to Coleman derived because Coleman would indicate as much by remarking: "Becky said this or Becky said that." (RBtr, pp. 49-50, 60-61.)

⁴ Department records indicate Harris went on leave in July 2005 and returned January 31, 2006, as deputy director of policy and strategic planning. Records show that Keith Demetrak (deceased) was acting deputy director of administrative services from January 2006 to March 2007. Boriskin thus appears to have been acting deputy director of administrative services between August and December 2005.

discrepancy was one such item because it “continued to be an issue for me.” Boriskin reports that Coleman gave him advice similar to what he had already received, and specifically told him: “You need to be looking at the bigger overall pictures and not spending so much time doing spreadsheets.” Boriskin states he then realized he was not a good match for the Parks Department and began planning his departure. (RBtr, p. 14.)

When asked how he described the issue of the fund discrepancy to Coleman, Boriskin stated: “I think that’s all I would have said. I said there’s just a difference in the balance in two places.” When asked if he had explained the magnitude of the discrepancy to Coleman, Boriskin stated he was unsure. He stated it was an important issue to him and what he did recall was saying something to the effect of: “hey, one of the things I noticed is there’s a difference within the fund balances; it seems like it’s something we should try to resolve.” (RBtr, pp. 25-26.)

Boriskin stated that what he specifically recalls from that meeting with Coleman was Coleman telling him that, as acting deputy director, he needed to look at the big picture if he was going to be moving up in state government. Boriskin further recalled Coleman remarking: “I understand you do spreadsheets all the time.” Boriskin states that he responded: “yeah, it helps me understand things,” to which Coleman replied: “that’s interesting.” (RBtr, pp. 24-26.)

Boriskin could not recall during the interview which of the funds he had been looking at when he saw that there was a discrepancy. But he states that he clearly recalls the discrepancy given his conversations about it with Brown, Harris, and the final related conversation he had with Coleman. Boriskin also stated he believes he would have identified which of the funds he was talking about in his conversation with Coleman. (RBtr, pp. 26-27, 47.)

Boriskin was then shown a spreadsheet prepared by the Department of Finance (DOF). (RBtr, pp. 27-29; Exhibit A attached.) The spreadsheet reflects disparities in the fund condition versus cash balances reported to the DOF and the State Controller’s Office (SCO), respectively, from 1993 to 2011 for both the SPRF and the OHV fund. (RBtr, pp. 29-42.) The OHV and SPRF fund condition and cash balances reported at the close of fiscal year 2005 were specifically noted since those were the most recent numbers Boriskin would have had available to him following his February 2005 starting date. (RBtr, p. 42.)

Among other things, it was noted that on June 30, 2005, the difference between the OHV fund balances reported to the SCO versus the DOF was \$1,077,000. (RBtr, p. 42.) At the close

of fiscal year 2004, the difference between the reported OHV fund balances was \$1,678,000. During the same two years, the difference in the reported balances for the SPRF had been \$23,929,000 on June 30, 2005, and \$26,694,000 on June 30, 2004. (RBtr, p. 42; Exhibit A.) It was therefore apparent that the sizeable fund balance discrepancy Boriskin had detected, been briefed on by Brown, discussed with Harris, and attempted to bring to Coleman's attention related to the SPRF rather than to the OHV Fund.

Boriskin's conversation with Coleman concerning the fund condition discrepancy was revisited later in the interview. Boriskin reiterated that the most significant thing he recalled from the conversation was Coleman telling him he should not be dealing with spreadsheets. When asked to reconfirm he had brought the discrepancy issue to Coleman's attention, Boriskin indicated that to the best of his recollection he did. Ultimately, however, Boriskin stated: "I can't say with absolute certainty that I had a conversation specifically with her about this. I believe I did, but I couldn't say that with absolute certainty."⁵ (RBtr, pp. 53-55.)

Boriskin indicated he served as acting deputy director only a month or so. He stated that "they" were not happy with him and brought in someone else whose name he could not recall. Boriskin stated "and then things got just totally bad for me," and he retired. (RBtr, pp. 55.)

Concluding Topics

Boriskin indicated he has not spoken with or been contacted by anyone from the Parks Department since the media stories about the fund balance disparities were reported in July 2012. (RBtr, p. 59.)

Boriskin recalled that Harris, a representative from parks personnel, and Boriskin served as the panel that hired Manuel Lopez to be budget officer in 2005. Boriskin stated that he knew Lopez from his time working at Caltrans and that Lopez seemed very hard-working and

⁵ Boriskin's statements indicate he attempted to discuss the details of financial spreadsheets with Coleman, and was rebuffed and criticized for doing so. Similarly, Manuel Lopez advised that for five years running he re-explained to Coleman that the SCO had not issued a fund balance maintenance award for the SPRF due to an "accounting issue" resulting in a \$20 million dollar difference between the fund condition and cash balances reported for the SPRF. (Transcript of Manuel Lopez 9-28-12 interview, pp. 67-68, 105-112.) Boriskin's and Lopez's statements strongly suggest that at least these two people attempted to inform Coleman about the disparate SPRF balances reported to the SCO and the DOF. To what extent Coleman understood what she was being told remains unknown.

knowledgeable. Boriskin observed that Lopez, like the rest of the organization, chose to whom he wanted to report and seemed to have developed a direct reporting relationship with Coleman, which Boriskin deduced because Lopez would say: “well Ruth said this” or “Ruth said that.” (RBtr, pp. 59-62) Boriskin also observed that Lopez and then-deputy director of operations Ted Jackson appeared to have developed a friendship. (RBtr, pp. 63-65.)

Lastly, Boriskin recounted that Michael Harris and Ruth Coleman went back a long ways as they had worked at the Legislative Analyst’s Office together years earlier. Boriskin stated his belief was that Harris was extremely loyal to Coleman and that Harris “probably would have taken the bullet for Ruth.” (RBtr, p. 65.)