

Summary of 9-4-12 interview of Olaya Slaughterback (Paschal)

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

Background

Olaya Slaughterback, formerly Olaya Paschal, worked for the Department of Parks and Recreation for 32 years, starting in 1977 and continuing until her retirement in 2009. (Olaya Slaughterback (Paschal) 9-4-12 interview transcript (OPtr), p. 3.)¹ She started her employment at Cal Expo which was then a unit of California State Parks. She transferred to the Department's Sacramento headquarters in the early 1980s and worked in the business services section within the division of administrative services. (OPtr, pp. 2-4.)

Olaya worked some 22 years in business services, eventually becoming head of that section as a staff services manager II. In business services, Olaya oversaw purchasing, contracting, warehousing, the Calcard program, vehicles, forms management, and central records. (OPtr, pp. 4-5.)

Olaya recalled that in 2006, after former chief accounting officer Freda Luan-Dun retired, Olaya was put in charge of both the business services and the accounting sections. In 2008, she was designated acting assistant deputy director of administrative services, which position was being filled on a rotating basis. Olaya was permanently appointed assistant deputy director of administrative services later in 2008, and retired from that position in 2009. (OPtr, pp. 7-14.)

Discrepancies in Balance Reports for the State Parks and Recreation Fund

When asked when she had become aware that there was a discrepancy in annual financial statements submitted to the State Controller's Office (SCO) and to the Department of Finance (DOF), Olaya stated that: "I didn't know there was a discrepancy." She then explained that she did not have a budgeting background and that budgeting was not within the scope of her responsibilities. (OPtr, pp. 15-17.)

¹ Olaya took the name Slaughterback in 2007. (OPtr, p. 46.) For simplicity, and because her name appears on the Department's organization charts as Paschal, references to the transcript of her interview use the letters "OP," and she is referred to in this summary as Olaya.

Olaya concurred that she had worked with the current chief accounting officer, Dorothy Kroll. She also concurred that while she was assistant deputy director of administrative services she had supervised Kroll. Olaya stated she was also familiar with the accounting section's process of reporting to the SCO, but "not so much the report," because she "wasn't involved in the day-to-day preparation of reports." (OPtr, pp. 17-18.) She noted that she had never worked in the accounting side, and that her area of expertise was always business services. (OPtr, pp. 21-22.)

Olaya agreed that accounting officer Kroll was below her in the chain of command, and agreed it would be normal for a matter such as a discrepancy to be reported up the chain of command. She maintained, however, that she had no recollection of Kroll or anyone else ever bringing the matter of a fund balance reporting discrepancy to her attention.² (OPtr, pp. 23-24.)

Olaya's Communications with Becky Brown and Tom Domich

Olaya stated that she knew former budget officer Becky Brown very well, and that the two of them had worked together at Cal Expo. She stated that she, Brown, and their former supervisor, Tom Domich, had lunch together in January of 2012 to belatedly celebrate Brown's birthday, which was in December. (OPtr, pp. 29-31.)

When asked when she last spoke with Domich, Olaya stated that she had lunch with Domich "probably three months ago," along with two other Parks employees whom she identified as Kathy Duggan and Brock Patel. Olaya stated that the matter of discrepancies in fund balance reports was not discussed at that luncheon. (OPtr, pp. 31-33.)

Concluding Topics

When asked if the topic of revenues generated from automated pay machines at the parks had even been mentioned to her, Olaya stated "no." When asked if anything questionable, procedurally incorrect, or unethical was ever brought to her attention, Olaya again stated "no." (OPtr, pp. 37-38.)

² Dorothy Kroll stated during her August 22, 2012 interview that when Olaya was Kroll's boss "I did try and explain [the SPRF discrepancy] to her. She's not an accounting person, so I don't think she understood it." When asked if she had explained it involved a sizeable discrepancy, Kroll stated "yes, yes," and that Olaya's response was: "Just pretty vague . . . basically a non-response." (Dorothy Kroll 8-22-12 interview transcript, pp. 38-39.)

Olaya then volunteered that she was surprised over the stories that had unfolded. She noted that throughout her 32-year career “we had auditors there the whole time” from the DOF, SCO, Department of General Services, as well as internally. She opined that how it could happen was a mystery, and that how [the DOF and SCO] wouldn’t talk to each other is “yet a further mystery to me.” (OPtr, pp. 38-39.)

Olaya was then shown memos issued by the DOF on April 8, 2002, and June 5, 2003. (Exhibits G and H attached.) The memos detail discrepancies in fund condition versus the cash balances reported to the DOF and SCO for a variety of special funds, including the SPRF. Olaya volunteered that she was unfamiliar with the memos, was never on the DOF’s e-mail distribution list, and stated she had never seen the memos before. (OPtr, pp. 40-42.)