



Richmond Office of the City Auditor

Office of the Inspector General

Fighting government waste, fraud and abuse

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Richmond City Auditor/Inspector General

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Mr. Byron C. Marshall, CAO
Dr. Carolyn Graham, Deputy CAO, Human Services

The Office of the Inspector General has completed an investigation in the Citywide Maintenance Division of the Parks, Recreation and Community Facilities Department. This letter informs you of the results of the investigation.

Complaint

During a planned audit of Parks, Recreation and Community Facilities, currently underway, the auditors noted certain behavioral irregularities. These observations led to surveillance and further investigation of two employees in the Citywide Maintenance Division by an Investigator in the Office of the Inspector General.

Legal Requirements

In accordance with the Code of Virginia, §15.2-2511.2, the City Auditor is required to investigate all allegations of fraud, waste and abuse. Also, the City Code section 2-231 requires the Office of the Inspector General to conduct investigations of alleged wrongdoing.

Methodology

- The investigator conducted surveillance procedures.
- Numerous employees were interviewed.
- Other investigative procedures were performed as necessary.

Findings

The investigator found:

Inappropriate Vehicle Use

- The Trades Supervisor indicated that he had authorization to take a City vehicle home outside the City (a round trip of 38 miles) since he is “on call” after work hours. However, there is no evidence of any “on call” work performed by this employee. The Trades Supervisor does not have written authorization to take a City vehicle home, yet he is taking a City vehicle home with the knowledge of the Superintendent of Citywide Maintenance. During the investigation, the investigator found that as of September 15, 2010, the Trades Supervisor had not completed the City’s required quarterly Personal

Vehicle Usage form since October 14, 2009 to comply with proper IRS tax laws. He agreed during a recent interview that since he is now required to clock-in at the Citywide Maintenance office, he no longer needs to take a City vehicle home on a daily basis. The Trades Supervisor admitted to knowing and understanding the City vehicle policy, and was aware that he should not take the City vehicle outside the City limits when not on official business.

- From 8/5/10 to 9/1/10 (20 work days), the vehicle was taken outside the City limits to either Henrico or Chesterfield County on 18 occasions, for which the employee admitted using the vehicle for non-work related purposes. Of the 18 trips, 16 were made during work hours. The remaining two trips were made to Chesterfield County after work hours. These 18 trips occurred at random times throughout the work day. In addition, there is a possibility that the Trades Supervisor may have made similar personal trips within the City. The Trades Supervisor admitted visiting potential customers for his personal electrical and HVAC business to provide estimates for work to be done after hours.
- The Trades Supervisor admitted that he and the Equipment Operator he supervises went to the Equipment Operator's home in Chesterfield County during work hours in the Trades Supervisor's City vehicle. The surveillance showed they remained at the home for 37 minutes. The Trades Supervisor also admitted that he returned two days later, after work hours, to the Equipment Operator's home in his City vehicle to inspect the Equipment Operator's car available for sale. The round trip to the Equipment Operator's home from the Division's office is about 34 miles.

Inadequate Supervision

- During a visit to the Citywide Maintenance Office on August 17, 2010, the Equipment Operator was found sleeping with his feet on his desk for 15 minutes. When interviewed, the Trades Supervisor defended this behavior, stating that he has observed the Equipment Operator sleeping on multiple occasions for a short duration each time, but had not disciplined him for this behavior. In a separate interview, the Equipment Operator admitted to sleeping at work on multiple occasions.

Overtime Use

An analysis of overtime hours incurred in the Division for FY 2010 indicated that the Trades Supervisor and the Equipment Operator worked 181 and 368.5 overtime hours, respectively. The Trades Supervisor appeared to receive and allow the Equipment Operator inappropriate payments at overtime rates as follows:

- As pointed out earlier, both of these employees received substantial, combined overtime payments in FY 2010 totaling \$18,563. They do not have accountability over how they spent their time during work hours. As discussed in this memorandum, these employees are using normal work hours for non-City business activities rather than assigned duties. It appears that some of their assigned duties are performed after hours with overtime pay.

The Trades Supervisor is expected to perform field supervision of the employees' work. However, during five separate interviews of the employees who work in the field from the various trades, all five stated that they rarely get visits from the Trades Supervisor.

- The Trades Supervisor and Equipment Operator got paid a combined 123 of the 135 hours of overtime spent building a desk for the Pine Camp Community Center, which was addressed in a separate investigation. During this project, the Equipment Operator got injured and was placed on light duty. When on light duty, he worked 16 hours at overtime rate to continue building the desk. Also, the Equipment Operator was paid 100 hours at the overtime rate in November 2009 when he was placed on light duty after suffering a back injury. He worked this time to construct an enclosure, install a backflow, and install a water main at Beard Field. The Equipment Operator also stated he operated a forklift when on medication during this time. This work may not be appropriate for a person with a back injury who is also on medication.

Conclusion

It appears that the employees subject to this investigation were able to use the City vehicle inappropriately, use City work hours for personal activities, and received inappropriate wages at overtime rates. There appears to be lack of management oversight. In FY 2010, Citywide Maintenance was budgeted approximately \$1.4M for their operations. Lack of proper controls and accountability has exposed these substantial expenditures to the risk of fraud, waste and abuse.

If you have any questions, please contact me at extension 5640.

Sincerely,



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City Auditor/Inspector General