



Richmond Office of the City Auditor

Office of the Inspector General

Fighting government waste, fraud and abuse

October 10, 2017

Mrs. Selena Cuffee-Glenn
Chief Administrative Officer
City of Richmond

The Office of the Inspector General (OIG) has completed an investigation in the Department of Public Utilities (DPU). This report presents the results of the investigation.

Complaint:

The Office of the Inspector General received a complaint alleging that certain DPU employees are stealing time that is referred to as "Vegas" (explained subsequently in this report). In addition, one of the employees is alleged to have been conducting real estate business on City time.

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, City Code section 2-214 requires the Office of the Inspector General to conduct investigations of alleged wrongdoing.

Vegas Time Defined:

The Financial Statistical Analyst (Analyst) in DPU supervises two Administrative Support Program Assistants. The Analyst had a practice of allowing these subordinates to take a two-hour leave on a day prior to or after each holiday. This time was labeled on the employees' time tracking spreadsheet as "Vegas Time."

Finding 1: Allegation about granting of unauthorized leave

The investigator found that during January 1, 2016 through March 16, 2017 the Analyst's emails contained six emails with information relating to the allegation. Upon review of one of the emails, the investigator noticed an excel spreadsheet documenting

bi-weekly time tracking for the Assistants. The available documentation showed that the term Vegas was used for allowing periodic time off to the Analyst's subordinates dating back to September 2013. The Analyst admitted to allowing this type of time off since 2011 while working with the City.

In an interview, the Analyst explained Vegas time as "an incentive to promote team building due to low morale within the unit since 2011." According to the Analyst, the employees alternated Vegas time off. In response to the investigator's inquiry, the Analyst stated that they made this decision independently and without approval from the appointing authority. Both Assistants acknowledged receiving Vegas time. One of the Assistants acknowledged receiving a Vegas leave schedule from the Analyst within two weeks after beginning employment with the Unit.

The City Personnel Policy does not allow leave such as Vegas time. However, the City Personnel Policy 6.12 allows for Administrative Leave. The provision related to this leave is as follows:

"The Appointing Authority or designee may approve administrative leave with pay for up to ten (10) working days [80 work hours] (56 hour Fire shift personnel equivalent shall be five (5) working days or 120 hours). The approval of the Director of Human Resources or designee is required for administrative leave exceeding ten (10) working days (56 hour Fire shift personnel equivalent shall be five (5) working days)."

According to the Director of Public Utilities, he has not delegated the authority to grant administrative leave to anyone within the department. The Director continued to say that when such approval is granted, he would send a notification of such leave directly to the employee. The Assistants did not receive any such email from the Director.

Finding 2: Allegation related to conducting personal business on City time

City Administrative Regulations 5.5 section III (5) states, *"Employees shall not engage in any outside employment during on duty hours. This includes the sale of products, consulting, or scheduling appointments to meet with customers."*

The Investigator conducted various computer searches and confirmed that one Assistant is a licensed Real Estate agent. The Investigator also reviewed the content of the Assistants hard drive and discovered 120 documents related to Real Estate sales, submissions, and quotes that were scanned-in during work hours on different days. Additionally, the Investigator discovered 15 emails related to real estate business sent during work hours beginning August 25, 2016 through March 16, 2017.

City Administrative Regulations 5.5 section III (8) states, "Employees are required to seek written approval of the CAO or his designee prior to engaging in any outside employment, activity or enterprise. A copy of such approval will be actively maintained in the employees City personnel files. The absence of said approval from the employees City personnel files shall create a presumption that the employees failed to obtain the written approval required in this section."

Upon review of the subject's personnel file, there was no documentation supporting outside/secondary employment. During an interview, the Investigator found that the subject was not aware of the secondary employment notification requirement. It was claimed that the Analyst and other members of the department knew of the subject's real estate business. The subject indicated that necessary scans of documents and sending of emails were done during their breaks. The subject acknowledged that their actions could be perceived as working on real estate business during City time.

Conclusion:

The OIG concludes that the Analyst abused their authority in regards to giving the time off, and the Assistant abused their time while conducting outside business while on City time.

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

Sincerely,



William C. Barrett, MFAcc, CPA, CFF, ABV
Interim City Auditor/Inspector General

cc: City Council Members
City Audit Committee
Mr. Robert Steidel, DCAO of Operations