

November 21, 2019

Nikki Riddick, Director of General Services

Subject: Investigation of Facility Maintenance Internal Control Concerns

The attached report contains the results of our investigation within the Department of General Services. Our area of focus was based on complaints received through our Fraud, Waste, and Abuse Hotline regarding an employee in the Facility Maintenance Division who was allegedly not working all their scheduled hours. Our report notes that the employee was going to several non-work-related places during working hours; work orders did not have specific addresses of where work was to be performed; and GPS reports were not being obtained and reviewed. Therefore, to mitigate any risks to the City, we are making recommendations based on our findings.

We appreciate the courtesies and cooperation extended to us during our investigation. If you have any questions, please contact me at extension 4-4044.

Respectfully submitted,



Tammie Dantzer  
City Auditor, MBA, CFE

cc: Honorable Mayor Dr. Kenneth Alexander  
Honorable City Council Members  
Dr. Larry "Chip" Filer, City Manager

The Office of the City Auditor has completed an investigation in the Department of General Services, Facility Maintenance Division. This report presents the results.

### **Legal and City Policy Requirements**

1. Per the Code of Virginia, §15.2-2511.2, the City Auditor is required to investigate all allegations of fraud, waste, and abuse.
2. In accordance with City Ordinance No. 44,000, (b) (2), *“The City Auditor is hereby requested to dedicate a telephone line, and a website, if cost-effective, through which employees and residents of the City of Norfolk may report anonymously an incidence of fraud, waste, or abuse committed by any City officer or employee, or within any City department or program.”*
3. Per the City Code, Sec. 16-59.(b)(1), Fraud is defined as *“The intentional deception perpetrated by an individual or individuals, or an organization or organizations, either internal or external to the city, that could result in a tangible or intangible benefit to themselves, others, or the city or could cause detriment to others or the city. Fraud includes a false representation of a matter of fact, whether by words or by conduct, by false or misleading statements, or by concealment of that which should have been disclosed, which deceives and is intended to deceive.”*
4. The City’s City Equipment Policy (5.5), states the following: *“City Equipment is only for the use of City employees in the course of daily employment and may not be used for personal reasons. City employees driving City-owned vehicles must use them for official business only. Use of City-owned vehicles for private business is strictly prohibited and subject to disciplinary action.”*
5. The City’s Code of Ethics Policy (5.7), section III-Procedure, A. Conduct, states the following: *“...The following items (not all-inclusive) provide examples of acceptable workplace conduct and performance: (1) Demonstrating the City values of Accountability, Integrity, Innovation and Respect, (2) Reporting to work as scheduled and seeking advance approval from supervisors for any changes to the established work schedule, and (3) Performing assigned duties with the highest degree of public trust and devoting full effort to job responsibilities’ during work hours.”*

### **Allegation**

We received several complaints that alleged a City of Norfolk vehicle had been sighted in a neighborhood on several occasions, but it did not appear that the person was performing any work.

### **Background of Allegation Subject**

The employee who drives the vehicle, described by the complainant, reports to work in their personal vehicle, obtains work orders to complete, and will then use their assigned City vehicle to complete the work orders. A work order contains pertinent information such as: the location and address of where the work needs to be completed, who requested the work to be performed, the request and completion dates, the employee assigned to complete the work, the action taken (work performed), and the hours spent performing the work. The employee has the freedom to complete

the work orders at their discretion and will then return to Facility Maintenance to clock out for the day.

**Findings** – Based on the investigation methodology, the following was noted:

1. **Paid for time not worked** – During the investigation, we performed physical observations and analyzed GPS data for the period January 2019 through April 2019, and September 16 through September 27, 2019. The City paid the employee associated with the vehicle, \$4,410, at an hourly rate of \$26.49, for time not worked during the period of our review. As noted, we analyzed GPS data for the vehicle, obtained a listing of properties assigned to the employee to inspect, and a spreadsheet of work orders that the employee was assigned. Our review of the work order spreadsheet revealed 32 out of 70 work orders, or 46%, did not have a specific location and address of where work needed to be completed. Therefore, we used the GPS data as a basis to determine work order locations and noted which locations the employee would not have been on official business for the City. We interviewed the employee and confirmed through our discussion that the employee did not perform official City business at the noted locations obtained through GPS data. The employee also informed us that there was no accountability and a lot of downtime, allowing for more freedom to do non-work-related activities during their normal work hours.
2. **GPS reports are not being obtained** – GPS reports are not being obtained, reviewed and reconciled to verify employees are performing their assigned responsibilities efficiently. Requesting and reviewing GPS reports will provide management with an internal control tool to help assess operational efficiencies, improve citizen services, maintain timekeeping records and to assess employee performance. During the interview with the employee, they acknowledged awareness of the GPS in the vehicle, however, our results show this did not act as a deterrent mechanism to ensure City resources were used efficiently and effectively.
3. **Work orders are not showing specific work locations** – As stated above, nearly half of the work orders on the spreadsheet did not have a specific location and address of where work needed to be performed. Having accurate information on a work order provides a mechanism for supervisors to monitor an employee’s performance and to help prioritize requested services. The absence of that information reduces the ability to guarantee the most efficient use of the City’s resources such as employee’s time, fuel and other related expenses.

**Conclusion:**

Based on the investigation methodology, we recommend the Department of General Services:

- a) Discipline the employee assigned to the vehicle for time not worked, as deemed appropriate.

**General Services Response**

- **Agree: Appropriate disciplinary action has been rendered.**
- b) Obtain, review and reconcile, on a consistent basis, GPS reports to work orders to help prioritize work, monitor employees’ performance and ensure the City’s resources are being used efficiently.

## General Services Response

- **Agree/Disagree:** Although there is agreement that employees' performance must be monitored on a consistent basis, and that GPS could be another resource in our ongoing effort, it should be noted that the City of Norfolk does not have a city policy or best practices procedure related to GPS surveillance. City agencies generally use GPS from an operational perspective as a tool for efficiency, e.g. to route more efficiently, to make sure that vehicles are adhering to the idling policy, to check for speeding, to check in to make sure staff are safe etc. GPS is also used as an external validation tool in case of accidents, property damage or citizen or customer complaints, e.g., to verify a vehicle is in a certain location at the time of an incident. GPS is not used as a primary tool to surveil employees, however if through monitoring, behaviors that break city policy are identified appropriate action will be taken. GPS in this City and most localities in our region, is used as an external validation tool for operational efficiency, coaching and development.

This is an opportunity for the City to develop a policy and/or best practice procedure(s) related to the use and monitoring of GPS in City vehicles.

- c) Implement a process to ensure work orders are accurate and complete, for work to be performed as efficiently as possible.

## General Services Response

- **Disagree:** For the end user the work orders are accurate and complete. The preventative maintenance work orders listed in the FacilityDude work order system do not necessarily include addresses of the buildings, unless there is a repair or maintenance issue that is specific to a particular building. Because of the large inventory of over 200 buildings, Facilities Maintenance doesn't include the addresses of every building in preventative maintenance or group work orders because these types of work orders are intended to remind staff of the PM. Preventative maintenance work orders are usually a scheduled time during the year when like pieces of like equipment or buildings are inspected or maintained, e.g., all generators or all libraries, etc. Also, so as not to overwhelm our system, Facilities Maintenance staff have cheat sheets with the addresses next to each location. Staff also work with tablets that allow them to Google locations. As a part of their job, staff are required to know the locations of all facilities that the City is responsible for providing maintenance.