



Richmond Office of the City Auditor

Office of the Inspector General

Fighting government waste, fraud and abuse

Umesh Dalal, CPA, CIA, CIG

Richmond City Auditor/Inspector General

June 25, 2012

**The Honorable Members of Richmond City Council
The Honorable Mayor Dwight C. Jones**

The Office of the Inspector General (OIG) has completed an investigation in the City Assessor's Office. This letter informs you of the results of the investigation.

Complaint

The OIG received a complaint that an employee of the City Assessor's Office may be abusing 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, the City Code section 2-231 requires the Office of the Inspector General to conduct investigations of alleged wrongdoing.

Background

The Office of the City Assessor had an employee who was suspected of not recording her time accurately. This employee's job duties included the recording and reconciling employee payroll/leave records. Management raised their concerns to the OIG about this situation in August 2011. The investigator obtained and reviewed the following:

- Payroll and leave records from January 2010 through January 2012
- Sign in/out sheets used to record the arrival and departure times for the department's employees on a daily basis, which according to management is required
- E-mail records for the subject employee

Findings

The investigator relied on information provided by the Assessor's Office during this investigation. The investigator does not have assurance of the accuracy of the documentation provided. The investigator's review of the above documentation revealed the employee failed to submit an application for leave on 29 different dates.

Based on a comparison of the sign in/out sheets and relevant payroll/leave records, it appears the employee was overpaid for 151 hours through January 2012 that were not worked, consisting of:

64 hours vacation (17 days)	Sign in/out sheets indicated that the subject was on vacation, but no leave slips were ever submitted. The investigator also accounted for the time when the subject came to work late, but did not make up the lost time.
10.5 hours sick (2 days)	Sign in/out sheets indicated that the subject was on sick leave, but no leave slips were ever submitted.
76.5 hours where the employee did not sign in or out (10 days)	The investigator verified the subject's absence by reviewing the activity in her e-mail account. No outgoing e-mails were noted during this time. According to management, the subject's duties required her to send e-mails daily. The inactivity during this period was not consistent with the e-mail activity during the period when the subject was in the office.

Had the department accounted for the sick, vacation and other leave accurately, the records would have reflected the employee exhausted her vacation and sick leave balance by December 5, 2011. However, it was the subject's duty to keep payroll/leave records. Therefore, these discrepancies could not be readily identified. A more thorough review by department management could have detected these discrepancies. These discrepancies have resulted in an overpayment of \$4,469 which should be recovered from the subject.

The investigator was unable to interview the subject employee at the conclusion of this investigation since the individual is no longer employed by the City.

Conclusion

The investigator finds this allegation substantiated. The Department did not have proper oversight to monitor the subject's payroll transactions. This deficiency may have enabled abuse of leave for the personal gain of the subject.

If you have any questions, please contact me at extension 5616.

Sincerely,



Umesh Dalal, CPA, CIA, CIG
City Auditor/Inspector General

Cc: Mr. Byron C. Marshall, Chief Administrative Officer
Mr. Allen Jackson, City Attorney
Mr. James Hester, City Assessor
Ms. Joya Hayes, Interim Director of Human Resources