

Hotline Update

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**CITY OF ROANOKE
AUDIT COMMITTEE
JUNE 4, 2014**

Purpose of Hotline

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- **To Provide Open Channels of Communication**
- **To Promote a Positive Work Environment**
- **To Foster a Culture of Integrity and Ethical Decision Making**

Background

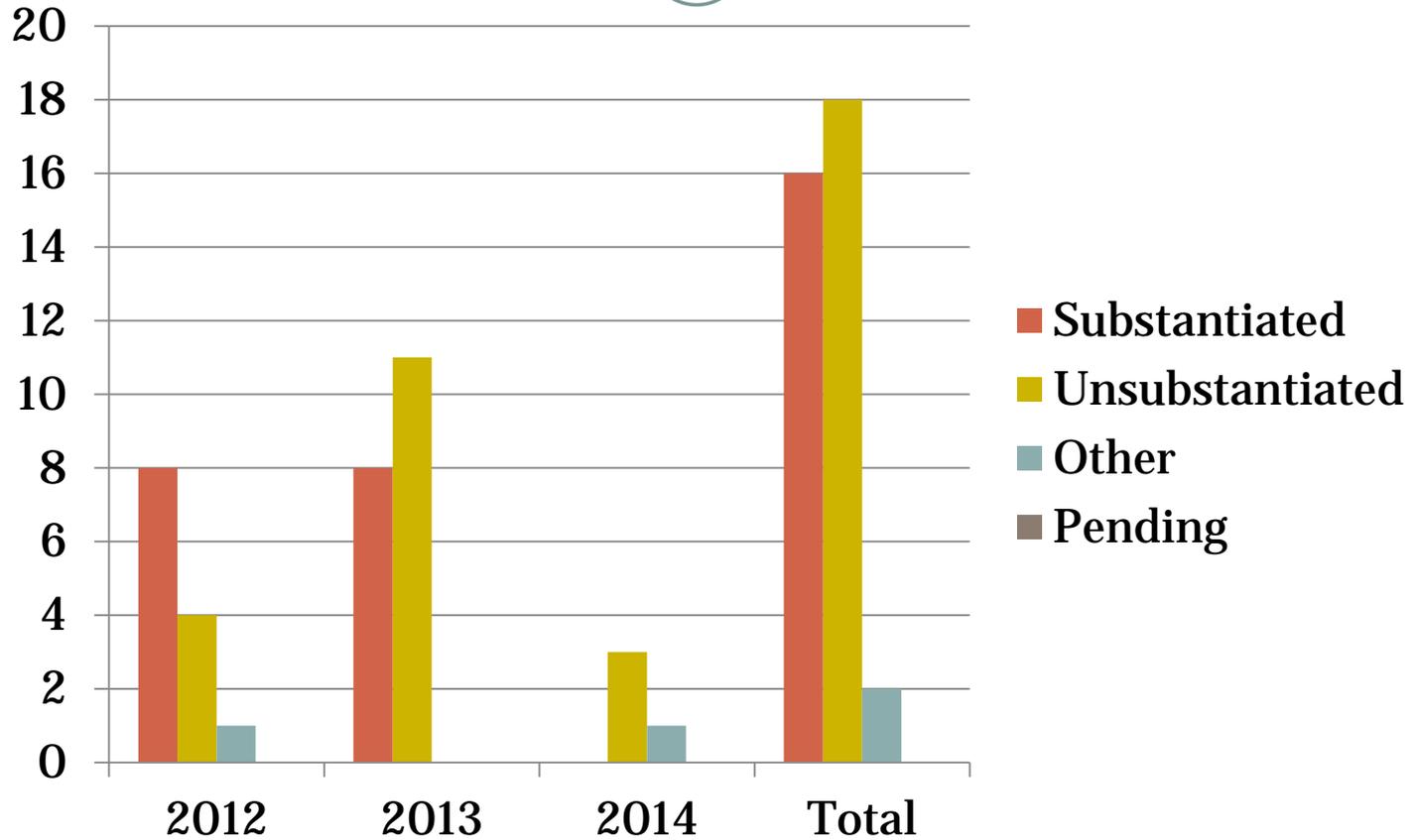
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- **EthicsPoint Provides Call Center, Website & System**
- **City Auditing Department Administers the System and Investigates Allegations**
- **Awareness Campaign Began in April 2012**
 - Flyers Posted in All Departments
 - Presentation to City Leadership
 - Presentations at Every Employee Orientation
 - Information & Link on Auditing Webpage
- **City Audit Committee Briefed Quarterly**

All Reports - Inception to Date

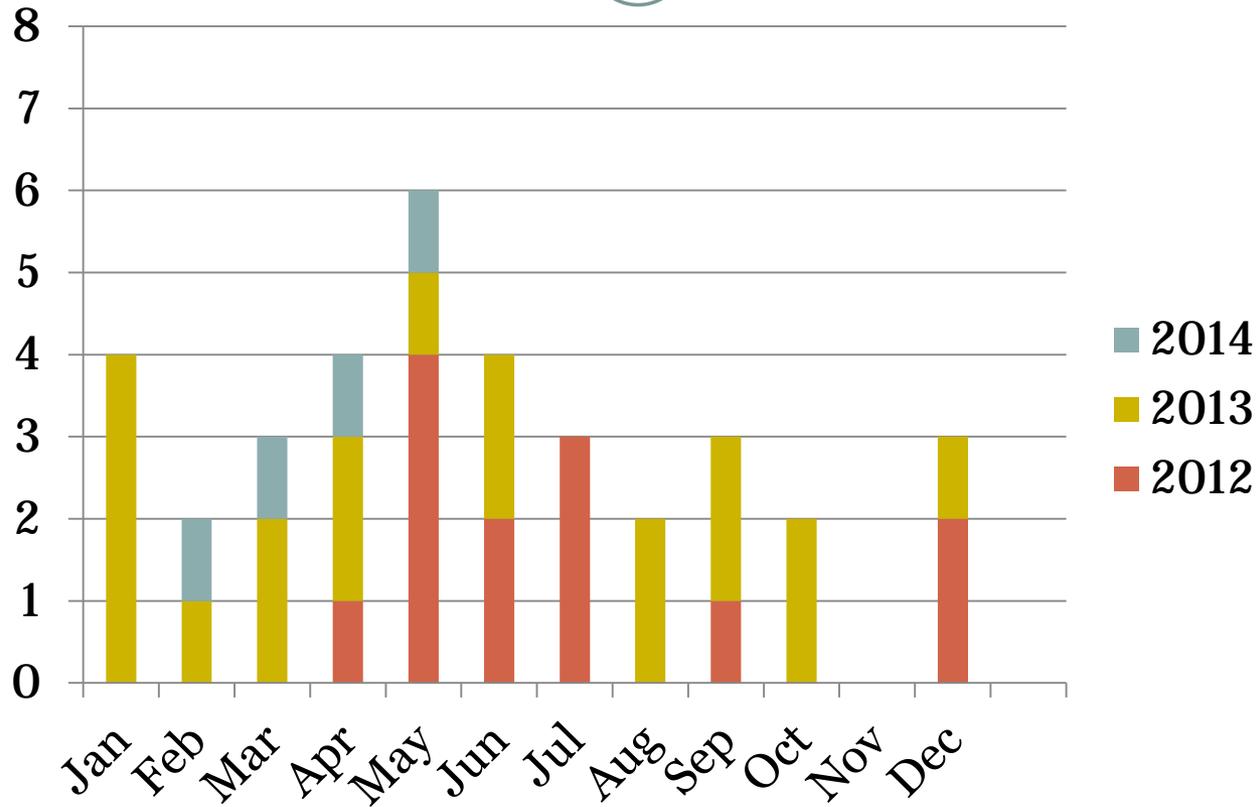
[Calendar Year Basis]

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Reports Received by Month

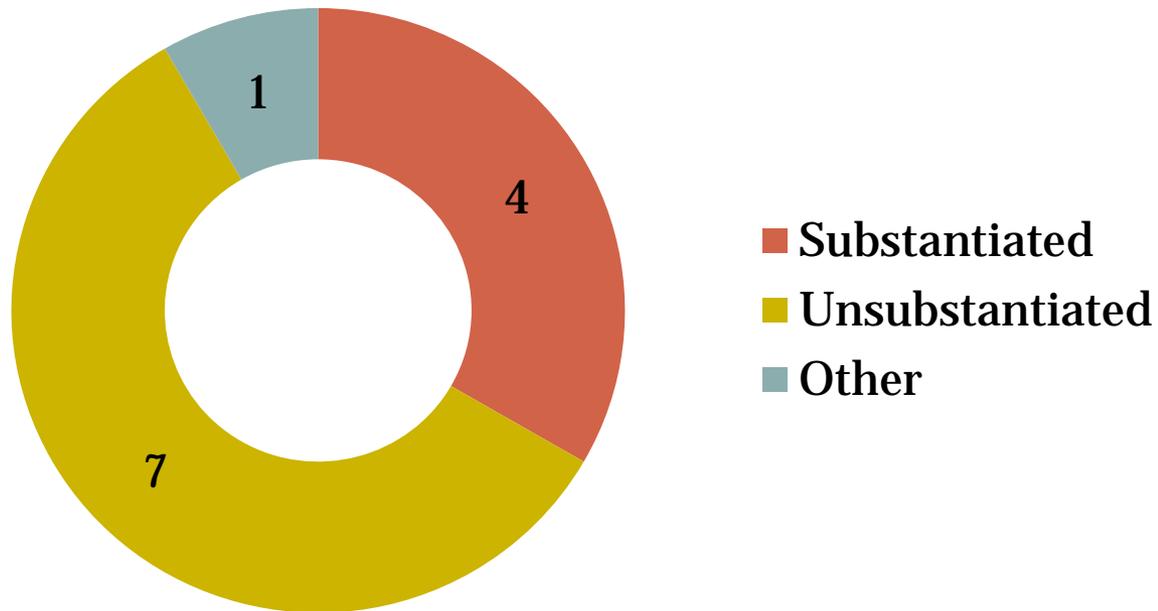
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Reports Closed

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1/1/14 thru 5/31/14



Synopsis of Closed Investigations

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TYPE	ALLEGATION(S)	RESULT
Time Abuse #12-305	<p>Concern that an employee who owned a business and had substantial volunteering obligations was being paid by the City for hours not worked.</p> <p>The available records indicated the employee took a substantial number of hours of paid leave in FY11, 12, 13. The paid time off was requested and approved in accordance with City policy.</p>	Unsubstantiated
Fraud #13-306	<p>An account number assigned to the City by a vendor for billing purposes was compromised by an unknown party. Services were fraudulently billed to the City but later removed by the vendor. The case was investigated by the vendor and the Police and ultimately closed without charges being filed.</p>	Substantiated

Synopsis of Closed Investigations

TYPE	ALLEGATION(S)	RESULT
Corruption #13-307	<p>Concern that an officer of a local non-profit was abusing his position by ignoring lines of authority, hiring personal friends, and overpaying for services provided by his own business.</p> <p>Investigated by the Police Department and the IRS; no charges were filed.</p>	Unsubstantiated
Workplace Issues #13-309	<p>Concern that an employee's abusive behavior was creating significant risks with regards to the health and well-being of employees and the effectiveness of operations.</p> <p>Based on the results of our preliminary research, we referred the report to the Human Resources Department and management for a more in-depth review. The Human Resources Department took appropriate steps to evaluate the concerns and worked with management to successfully remedy the situation.</p>	Substantiated (3 Reports)

Synopsis of Closed Investigations

TYPE	ALLEGATION(S)	RESULT
Workplace Issues #14-301	<p>Concerns with work place environment, equitable treatment, workforce morale.</p> <p>The reporter would not contact HR based on perceived risk of retaliation. We consulted HR and found no complaints or employee exit data to support the allegations. Attempts to contact former employees were not productive due to relocations and unresponsiveness.</p>	Unsubstantiated
Waste #14-305	<p>Concern that employees wasted work time obtaining supplies for a department holiday gathering.</p> <p>Based on our review of City policy and consideration of the substance of the issues reported, a reasonable threshold to be characterized as “waste” was not met.</p>	Unsubstantiated

Synopsis of Closed Investigations

TYPE	ALLEGATION(S)	RESULT
Corruption #14-306	<p>Concern that proper notice of a code violation was not provided to the property owner and that the Inspector was receiving inducements from the contractor paid by the City to abate the violations.</p> <p>The contractor involved, along with three others who are under contract to provide the same services, was procured via a competitive selection process that did not include the Inspector. Administrative staff assign jobs to contractors on a rotational basis without input from Inspectors.</p> <p>The records, testimony and photographs available substantially support a conclusion that proper notice was given.</p>	Unsubstantiated

Synopsis of Closed Investigations

TYPE	ALLEGATION(S)	RESULT
Violation of Policy #14-307	<p>Concern that management violated policies related to family medical leave and paid time off.</p> <p>Management has the authority to hold a job open for an employee beyond the minimum time mandated by the Family Medical Leave Act. Based on testimony and available documentation, the employee was paid in accordance with City policies.</p>	Unsubstantiated
Fraud #14-308	<p>Concern that people who do not qualify for disability benefits were approved and are receiving benefit payments.</p> <p>We contacted the local Social Security Office about this issue and were told the information was insufficient to warrant investigation. The reporter was unwilling to meet with the Social Services Investigators.</p>	Unsubstantiated

Synopsis of Closed Investigations

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TYPE	ALLEGATION(S)	RESULT
Workplace Issues #14-309	<p>Concerns that management is creating a climate that makes employees afraid to provide input, ask questions, or make decisions that are necessary for the department to function effectively.</p> <p>Our preliminary observances of the area and soft inquiries did not provide adequate evidence to warrant an immediate investigation. There are indications that the area would benefit from an operational audit.</p>	Other

End of Update