City of Santa Fe, New Mexico

memo

Date: October 5, 2015

To: Finance Committee

Via: Liza Kerr, Internal Audit

From: Hotline Representatives

ITEM AND ISSUE:
Presentation and discussion of summary results for Fraud, Waste, and Abuse Hotline

BACKGROUND AND SUMMARY:

The Fraud, Waste and Abuse Hotline was authorized with Resolution 2013-112 and fully implemented on February 6, 2015 when brochures and wallet cards were handed out to all city employees with payroll. As part of the rollout, posters were hung in prominent places throughout the City where employees would most likely see them. This was accompanied by a media release from the Mayor encouraging employees to use the site. On an on-going basis, wallet cards are handed out at new employee orientation.

To date 18 cases have been opened as a result of hotline tips; please see the attached report which summarizes the results.

In order to ensure implementation cooperation and input was deemed to be necessary from a cross functional team comprised of representatives from legal, internal audit, human resources, constituent services and the police department. This team has met periodically to discuss how to disseminate cases, document results, and close cases.

Hotline representatives are as follows:

Liza Kerr, Internal Audit
Lynette Trujillo, Director of Human Resources
Mary Tapia, Human Resources Administrator
Patrick Gallagher, Interim Police Chief
Mario Salbidrez, Deputy Chief of Police
Kelley Brennan, City Attorney
Sevastian Gurule, Constituent Services Division Director

FUNDING:
No funding is required at this time.

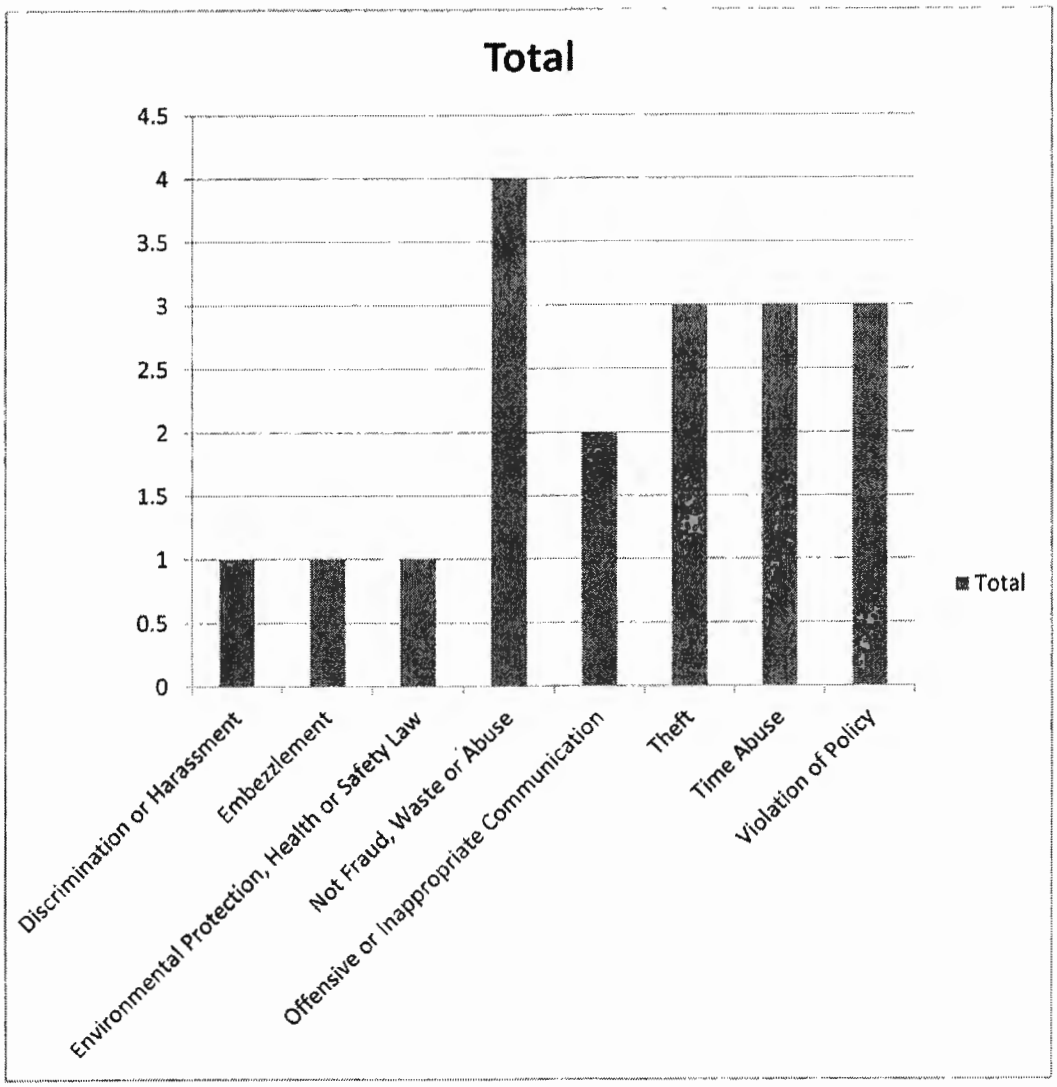
ACTION RECOMMENDED:
No action is required; this update is for informational purposes only.

Summary
Through 09/22/2015

City of Santa Fe
Fraud, Waste and Abuse Hotline

Hotline tips have resulted in 18 cases being opened in the following categories:

(alphabetical order)	
Primary Issue	**Total**
Discrimination or Harassment	1
Embezzlement	1
Environmental Protection, Health or Safety Law	1
Not Fraud, Waste or Abuse	4
Offensive or Inappropriate Communication	2
Theft	3
Time Abuse	3
Violation of Policy	3
Grand Total	**18**



Summary
Through 09/22/2015

City of Santa Fe
Fraud, Waste and Abuse Hotline

Of the 18 cases noted above 16 are closed and 2 are still in process:

Primary Issue	Case Number	Assignees	Case Status
Discrimination or Harassment	18	Tapia, Mary	Closed
Embezzlement	15	1. Gallagher, Patrick [Primary] 2. Salbidrez, Mario	Closed
Environmental Protection, Health or Safety Law	13	Tapia, Mary	Closed
Not Fraud, Waste or Abuse	10	1. Gurule, Sevastian 2. Tapia, Mary	Closed
	16	1. Gurule, Sevastian [Primary] 2. Tapia, Mary	In Process
	4	1. Gallagher, Patrick [Primary] 2. Salbidrez, Mario	Closed
	5	Gurule, Sevastian	Closed
Offensive or Inappropriate Communication	11	Tapia, Mary	Closed
	8	Tapia, Mary	Closed
Theft	12	1. Gallagher, Patrick [Primary] 2. Salbidrez, Mario 3. Tapia, Mary	In Process
	14	1. Gallagher, Patrick [Primary] 2. Salbidrez, Mario	Closed
	3	1. Gallagher, Patrick [Primary] 2. Salbidrez, Mario	Closed
Time Abuse	1	1. Tapia, Mary 2. Garcia, Eric	Closed
	7	1. Tapia, Mary 2. Trujillo, Lynette	Closed
	9	Tapia, Mary	Closed
Violation of Policy	17	1. Gurule, Sevastian 2. Tapia, Mary	Closed
	2	1. Gurule, Sevastian 2. Tapia, Mary	Closed
	6	Tapia, Mary	Closed
Grand Total	**18**		

Of the 18 cases:

- 5 were initiated by the same person against the same co-worker at the library, these were investigated by human resources (HR), appropriate personnel action was taken, and the cases were closed (Cases #6, #7, #8, #9, & #11);
- 1 was already being investigated by the police department (PD) (Case #4). This was not a fraud, waste or abuse situation, but rather a criminal allegation being reported by a city employee which involved non-city employees. As such this case was transferred to PD.
- 5 are either primarily constituent services issues and/or are not fraud, waste, or abuse, however, all were followed up on, and subsequently closed;
    - Case #2 – Some solid waste drivers were on cell phones. Allegations did not include vehicle numbers, times, or contact information;
    - Case #5 - The caller noted that Cerrillos Road, Saint Michaels's Drive and Siler Road, which are all connected are not safe for cyclists;
    - Case #10 - An employee allegedly banged her car door (a city vehicle) on another person's vehicle. When confronted, she allegedly verbally abused the person whose car was hit;
    - Case #13 - Mold in building;
- Case #16 - City employee was allegedly observed giving someone a dirty look, then going up to the individual and asking if they had an issue with him.

The remaining cases were investigated as potential fraud, waste or abuse:

- 3 are classified as theft;
    - These cases involved the selling of city scrap metal for cash;
    - PD reestablished a protocol with the scrap metal company to issue payment to the City and not to the individual;
    - IA will address this systematically with a recommendation for improved internal controls including a specific policy for the sale of scrap metal;
        - Cases #3 & #14 have been closed, theft not proven;
        - Case #12 is being investigated by an outside investigator hired by HR;
- 1 is classified as time abuse (Case #1) and is still under investigation; although, the employee has since left;
- 1 is classified as violation of policy (Case 17) investigation indicates this was most likely related to carrying out job duties – i.e. home visit to senior, case closed, not substantiated;
- 1 is classified as embezzlement (Case #15), this allegation was not substantiated but another crime being committed by the same employee was discovered and investigated, case closed pending charges;
- 1 is classified as discrimination or harassment (Case 18). An investigation was conducted, appropriate disciplinary action was taken, and case has been closed.