



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Inspector General

March 3, 2025

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Interim Chief Administrative Officer  
City of Richmond

The Office of the Inspector General (OIG) has completed an investigation within the Office of Strategic Communications and Civic Engagement. This report presents the results of the investigation.

### **Authority:**

1. In accordance with the Code of Virginia, § 15.2-2511.2, the Inspector General is required to investigate all allegations of fraud, waste, and abuse.
2. City of Richmond Code 2-214 authorizes the Office of the Inspector General to conduct criminal, civil and administrative investigations related to the municipal affairs of the City.

### **Background:**

The subject of the investigation is a former Director from the Office of Strategic Communications and Civic Engagement (OSCCE). The OSCCE Director is authorized to use city funds to hire media production companies to create promotional videos for City departments and events. The videographer hired shared a previous business and personal relationship with the former Director.

### **Allegations:**

1. A former Director with OSCCE abused their authority and wasted government funds when they spent approximately \$355,580 on various media productions between January 2022 and July 2024, violating City of Richmond Department of Procurement Services, Policy No. 14, Small Purchases.

### **Facts:**

On August 9, 2024, an OIG investigation was initiated regarding purchases between the former Director of OSCCE and a vendor with whom they had a personal relationship. Investigators reviewed all financial transactions between the City of Richmond and two companies the former Director's business associate owned. From September 5, 2022, to August 9, 2024, approximately \$355,580 was paid to the business owner's two companies.

Approximately \$115,380 was spent using government Procurement Cards (P-Cards) assigned to the OSCCE, and approximately \$240,200 was paid utilizing purchase orders.

The OSCCE provided investigators with a list of 102 projects produced by the two companies owned by the former Director's business associate. These videos and media projects correspond with the dates and descriptions on the invoices the city received from the two companies. Both production companies were registered vendors with the City of Richmond and completed various projects of high-quality. The amount the City of Richmond paid for the media production services is fair and reasonable; both companies offer combined services unavailable elsewhere in the City.

City of Richmond Department of Procurement Services, Policy No. 14, Small Purchases, Demand Payment Authority, states, "Competition is not required for the Demand Payment items listed below, up to \$200,000," Included in goods and services categories that constitute the Demand Payment items are photographers (other than graduation and yearbook photographers,) as well as advertisements in newspaper, magazines, journals, billboards, websites, radio, television or other similar print or electronic media (confirming that the requesting agency has vetted the advertisement content and method of presentation with the appropriate City media relations staff.)

Although the total paid to the two media production companies between September 5, 2022, and August 9, 2024, totaled approximately \$355,580, the purchases made through the government P-Cards and purchase orders did not violate the Department of Procurement Services, Policy No. 14, Small Purchases. Neither company made a single purchase over \$10,000. The two media production companies provided the City with photographs, videos, and additional advertisement services for multiple departments through various media platforms. The amount paid by the City correlates with the services provided by both companies.

Allegation No. 1 is **unsubstantiated**.

**Analysis:**

Based on the facts of the investigation, the quantity and quality of work produced by the production companies are consistent with the amount paid by the City of Richmond. There is no evidence that city funds were wasted or abused based on the services provided. The two media production companies were registered vendors with the City of Richmond and provided high quality work at a competitive price

2. A former Director with OSCCE abused their authority and created a conflict of interest when they hired a former business associate between January 2022 and July 2024 in violation of City of Richmond Department of Procurement Services, Policy No. 23, Conflict of Interest and Transaction.

**Facts:**

The former Director of OSCCE and the owner of two separate production companies used by the City had collaborated on multiple projects for over 15 years. The two co-founded a charity organization in March of 2015 and dissolved in September of 2016.

Investigators interviewed employees who worked for the former Director of OSCCE. The employees stated that the former Director and the owner of the production companies were open regarding their previous business collaborations and advised they had worked together on various projects for approximately 15 years in three separate jurisdictions. Employees further stated that the business owner produced multiple projects for different departments within the City of Richmond.

Employees advised that the work provided by the two companies was of high quality. They further stated that the former Director and owner of the production companies always maintained a professional relationship. Employees advised that both companies owned by the former Director's business associate are vendors with the City of Richmond and produce a great deal of work at the request of multiple departments.

City of Richmond Department of Procurement Services, Policy No. 23, Conflict of Interest and Transaction 23-5.2, states, "A conflict of interest occurs when a public employee has a financial interest that might compromise that individual's role, reliability, or impartiality as it relates to the conduct of a particular procurement transaction." Specifically, conflicts of interest mentioned in the policy are: self-dealing, in which the city's interests and individual interests conflict; outside employment, in which the interests of one job conflict or compete with the other job; subsequent private or self-employed, in which the individual uses knowledge gained concerning a procurement transaction while employed to gain an advantage on the procurement transaction after leaving the City; family interests, in which goods or services are purchased from a relative or firm controlled by a relative; and soliciting or accepting gifts from friends or business acquaintances that do or are seeing to do business with the City.

Additionally, Administrative Regulations, Policy No. 1.1., Code of Ethics, Section B:7, states, "An employee who is called upon to act for or behalf of the City of Richmond government in a matter relating to or involving a non-government entity in which the employee or a member of his or her immediate family has a financial interest, shall make this fact known to his or her immediate supervisor in writing, at the earliest possible moment." There is no evidence the former Director, nor a member of their family, had any financial gain or interest working with the two media companies.

**Allegation No. 2 is Unsubstantiated.**

**Analysis:**

Although the former Director and production company owner had previously worked together, there is no evidence that their relationship resulted in a conflict of interest or abuse of authority. The former Director and their previous associate did not conceal their previous business history, and the media production companies were registered vendors with the City. The former Director does not profit from the media production companies and is not professionally affiliated with them other than hiring them to work for the City.

**Conclusion:**

Based on the findings, the Office of the Inspector General concludes that these allegations are unsubstantiated.

The point of contact for this report can be reached at extension 1840.

Submitted,



James Osuna  
Inspector General

CC: Honorable Members of City Council  
Traci DeShazor, DCAO, Human Services