



Richmond City Auditor

Office of the Inspector General

Fighting government waste, fraud and abuse.

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

April 14, 2010

Mr. Byron Marshall
Chief Administrative Officer
900 E. Broad Street, Room 201
Richmond, VA 23219

Dear Mr. Marshall:

The Office of the Inspector General has completed an investigation in the Department of Parks, Recreation, and Community Facilities. This letter informs you of the results of the investigation.

Complaint

The Office of the Inspector General received an allegation related to petty cash. Staff from the Finance Department noted certain irregularities while processing petty cash from the Department of Parks, Recreation, and Community Facilities.

Legal Requirement

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. Accordingly, an investigation was initiated by the Inspector General's Office.

Details of the Investigation

Details of the investigation are as follows:

- Requested and reviewed the relevant documents from the departments involved.
- Reviewed video surveillance of the transactions.
- Interviewed the supervisors whose authorizing signatures were on petty cash reimbursement summary forms.
- Interviewed the Director and Deputy Director of the Department of Parks, Recreation, and Community Facilities.
- Discussed the case with the Assistant Commonwealth Attorney.
- Interviewed the subject and searched her work area.

Findings

The investigation revealed that on four separate occasions the subject employee:

- Completed a petty cash reimbursement summary.
- Forged a supervisor's signature.

- Submitted the reimbursement summary along with copies of invoices and/or receipts already previously reimbursed.
- Fraudulently received cash from the Department of Finance.

These above transactions are listed in the following table:

<i>Date</i>	<i>Description</i>	<i>Amount</i>
4/13/09	Submitted and was reimbursed with unauthorized receipts	\$63.45
4/16/09	Submitted and was reimbursed with previously paid invoices	\$40.57
9/11/09	Submitted and was reimbursed with previously paid invoices	\$150.00
9/11/09	Submitted and was reimbursed with previously paid invoices	\$45.24
	Total	\$299.26

During the interview, the subject employee admitted to committing the above crimes to the investigators from the Office of the Inspector General.

In a separate incident, on December 8, 2009, a Parks employee who had received a travel advance settled her cash advance and returned **\$573.72** (cash) to the subject employee. The subject employee was expected to submit the money to the Finance Department. However, the money was not submitted to Finance.

The five above occurrences totaled a loss of **\$872.98** to the City of Richmond.

Action Taken

The employee was placed on leave without pay and retired shortly thereafter. The Departments of Parks, Recreation, and Community Facilities and Finance have made procedural changes to prevent this type of fraud from occurring in the future. Based on the details of this investigation, the allegation has been substantiated and referred to the Commonwealth Attorney's Office for further action.

If you have any questions, please contact me at extension 5640.

Sincerely,



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

Cc: Dr. Carolyn Graham, DCAO – Human Services
John Pope, Director, Parks, Recreation, and Community Facilities
Michael Terry, Interim Director of Finance