



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the Inspector General

January 4, 2019

Mrs. Selena Cuffee-Glenn, Chief Administrative Officer
City of Richmond

The Office of the Inspector General (OIG) has completed an investigation involving the Department of Parks, Recreation and Community Facilities (PR&CF) and an organization that uses the department's facilities without proper written authorization. This report presents the results of the investigation.

Legal & City Policy Requirements:

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 Code section 2-214 requires the Office of the Inspector General to conduct investigations of alleged wrongdoing.

Allegation:

The complaint alleged that Richmond BMX has been using the City's facility at Gillies Creek Park without a proper Memorandum of Understanding (MOU), collecting money for various BMX events held and not turning over the proceeds to the City of Richmond.

Findings:

The Investigator interviewed the complainant who stated that for several years the operators of Richmond BMX has been operating a bike track, having various races throughout the year and not paying the City money collected from rider fees and food sales.

The investigator conducted research and discovered that Richmond BMX has up to three events per week with fees ranging from \$4-\$10 for the events. The investigator was informed that there are rider's clinics on Tuesdays (\$5 fee), rider's practices on Thursdays (\$4 fee), and competition races on Sundays (\$10 fee). Based on the research of the Richmond BMX website schedule, the track appears to host many events from March - November.

The investigator conducted surveillance of the Richmond BMX track on both a Tuesday and Thursday and observed approximately 20 individuals on Tuesday and 15 individuals on Thursday using the track. The investigator conferred with the operator of the track who confirmed the fees.

During the surveillance the investigator observed a concession stand located in a large storage container. The concession stand was selling hotdogs, chips and sodas. The investigator asked the operator about the stand and was told that the funds from the concession stand are used along with the rider fees for the upkeep of the track. The operator stated no funding is provided by the City of Richmond, which was confirmed by the investigator.

The investigator asked the operator about the bike ramps behind the track, and the operator stated that the bike ramp is maintained by RVAMore who has an agreement with the City of Richmond. This was confirmed by the investigator who conferred with the Deputy Director of PR&CF who provided a MOU dated January 26, 2016.

During a meeting with the Director and Deputy Director of PR&CF, the Director appreciated the OIG for bringing this situation to their attention. He also stated they are in the process of updating their policies and procedures for the operation and rental of the BMX track. According to the Director of PR&CF, the staff that managed Gillies Creek Park are no longer with the City of Richmond and the Director was not aware a written agreement was not in place.

Conclusion:

Based on the findings, the OIG concludes that the allegation is substantiated. If you have any questions, please contact the Inspector General's Office at extension 646-5616.

Sincerely,

Louis G. Lassiter

Louis Lassiter, CPA
City Auditor/Interim Inspector General

cc: Mr. Reginald Gordon, DCAO Human Services
Mr. Christopher Frelke, Director of PR&CF
Honorable City Council Members
City Audit Committee