



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

April 29, 2015

Ms. Peggy Hatch, Secretary
Department of Environmental Quality
State of Louisiana
Baton Rouge, Louisiana

At your request, we audited certain transactions of the Department of Environmental Quality (DEQ). Our audit was conducted in accordance with Title 24 of the Louisiana Revised Statutes and consisted primarily of inquiries and the examination of selected financial records and other documentation. The scope of our audit was significantly less than that required by *Government Auditing Standards*.

In accordance with your request, we investigated the time and attendance records of former DEQ employee Jennifer Dewitt. It is our understanding that you received an anonymous complaint alleging that Ms. Dewitt was being paid for hours she did not work. As a result of this complaint, an administrative review of Ms. Dewitt's time records was conducted by DEQ's Human Resource Department. To facilitate your review, Ms. Dewitt was placed on administrative leave. After being placed on administrative leave, Ms. Dewitt resigned her position with DEQ.

Ms. Dewitt was employed in DEQ's Waste Tire section as an Environmental Chemical Specialist Staff. Her office was located on the ninth floor of the Galvez building. Employees housed in the Galvez building can park in the Galvez Parking Garage free of charge by scanning their employee ID badge to enter and exit. The Galvez building has security access points on each floor that require employees to scan their ID badges to obtain entry onto a floor. The scanning activities of an employee's ID badges are maintained by the Office of State Buildings (OSB) and summarized in a Cardholder Transaction History Report (CTHR). We obtained Ms. Dewitt's CTHR for the periods January 4, 2012, to February 11, 2012, and from May 8, 2012, to October 3, 2014, and compared her scan times to the times recorded on her time sheet.¹ Our work resulted in two findings concerning Ms. Dewitt's activities.

¹ According to OSB officials, due to data corruption, CTHR's for the period February 12, 2012, to May 7, 2012, are unavailable.

Wages Paid But Not Earned

Based on our review of documents, it appears that Ms. Dewitt recorded and was paid for 191 hours totaling \$7,136 that she did not work during our audit period. By submitting incorrect time sheets and receiving pay for hours not worked, Ms. Dewitt may have violated state laws.²

The review of Ms. Dewitt's CTHR revealed that, on most days, her ID was not used to enter the parking garage. According to OSB officials, there are only two ways to enter the parking garage; by scanning an employee ID badge or "pulling a ticket." Because Ms. Dewitt routinely did not use her ID badge to enter the parking garage, we based her work start time on the first scan of the day from her ID badge on the first floor of the Galvez building, when it was closely followed by a scan on the ninth floor. This start time was then compared to Ms. Dewitt's time sheet and leave taken to determine any discrepancies.

The comparison revealed that on 78 instances, totaling 47 hours, Ms. Dewitt recorded sign-in times that were earlier than her actual arrival time. By doing so, Ms. Dewitt was paid for 47 hours, totaling \$1,758, which she does not appear to have worked. For example, on January 16, 2014, Ms. Dewitt's CTHR indicates that her first scan of the day was on the 1st floor of the Galvez building at 9:22 a.m.; her next scan was on the ninth floor of the Galvez Building at 9:23 a.m.; her time sheet, however, shows a sign-in time of 7:15 a.m. No leave was recorded for this two-plus hour time difference, nor was there any documentation to show that Ms. Dewitt was authorized to work away from the office during this time. Of the 78 instances, 15 were for time differences in excess of an hour, while 14 were for time differences ranging from 30 to 60 minutes.

Further comparison of Ms. Dewitt's time sheet to her CTHR revealed similar discrepancies for lunch periods taken, departure and return times taken during the workday, and sign-out times. When departing the parking garage during work hours or for lunch, Ms. Dewitt scanned her ID badge to exit, but did not use her ID badge to access the parking garage when she returned. Therefore, we used the same process as stated above to verify the duration of any time departure during work hours, which mainly appears to be lunch periods. The duration of departure times during work hours was then compared to her time sheets to determine any discrepancies.

² **La. R.S. 14:138. Public payroll fraud (A)** states that, "Public payroll fraud is committed when: (1) Any person shall knowingly receive any payment or compensation, or knowingly permit his name to be carried on any employment list or payroll for any payment or compensation from the state, for services not actually rendered by himself, or for services grossly inadequate for the payment or compensation received or to be received according to such employment list or payroll."

La. R.S. 14:133. Filing or maintaining false public records (A) states that, "Filing false public records is the filing or depositing for record in any public office or with any public official, or the maintaining as required by law, regulation, or rule, with knowledge of its falsity, of any of the following: (1) Any forged document. (2) Any wrongfully altered document. (3) Any document containing a false statement or false representation of a material fact."

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Based on this comparison, we identified 93 instances, totaling \$3,224, in which Ms. Dewitt claimed to be working when she was not on leave or on a designated lunch break. In all instances, these departure times exceeded 60 minutes and totaled 86 hours. According to staff members in DEQ's Waste Tire section, they occasionally visit facilities during the work day. On those occasions, they drive DEQ vehicles and document the visits on the vehicle's log sheet. The DEQ employee driving the DEQ vehicle completes and signs the log sheet and indicates the date, time, and location of travel by the employee. We reviewed Ms. Dewitt's vehicle log sheet to determine if time differences were due to working at facilities during the work day. Based on our review, we were unable to find any entries that corresponded to dates of the 93 discrepancies.

When leaving for the day, Ms. Dewitt typically scanned her ID badge to exit the parking garage; therefore, we were able to compare her time sheet sign-out times directly to times her ID badge was used to exit the parking garage. We noted that on 81 instances, for a total of 58 hours, Ms. Dewitt recorded sign-out times that were later than the time her ID badge was used to exit the parking garage. In one instance, on June 24, 2013, Ms. Dewitt's CTHR states that she scanned out of the parking garage for the day at 2:47 p.m.; however, her time sheet shows a sign-out time of 4:30 p.m. (There was no leave taken for this time difference, nor was there any documentation to show that Ms. Dewitt was authorized to work away from the office during this time.) Of the 81 instances, 22 were for time discrepancies that exceeded an hour, and 20 were for time discrepancies ranging from 30 to 60 minutes. Ms. Dewitt was paid \$2,154 for time that she does not appear to have worked.

Based on the above, it appears that Ms. Dewitt received \$7,136 for 191 hours that she did not work. By doing so, Ms. Dewitt may have violated state laws.²

Parking Garage Ticket Usage

According to Mr. William Wilson, OSB superintendent, each pulled ticket generates \$10 in public funds that goes toward satisfying bond indebtedness on the garage. We spoke with several DEQ staff members, all of whom said that they were aware they must use their ID badge to enter and exit the parking garage. In 2005, OSB issued a memo to tenants of the Galvez and LaSalle parking garages, which stated, "**Employees are required to use their badges for both entry and exit of the State Garages,**" it further stated that, "**If you pull a ticket to get in, you must have that ticket validated in order to exit without paying a parking fee.**" In addition, on June 18, 2013, DEQ Undersecretary Vince Sagnibene sent out an email to all DEQ employees discussing procedural changes made by OSB for the Galvez Building and Galvez Parking Garage. Undersecretary Sagnibene states, in part, that effective July 1, 2013, there will be Free Parking Validation for State Employees under the following circumstance:

"In the event of a misplaced/forgotten ID badge, state employees will be allowed (1) one validation per calendar year. Garage parking fees will apply after the first annual validation. **Providing validations for free parking to state employees**

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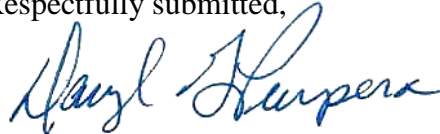
housed in the building for whatever reason will not be allowed after the calendar year allowance.”

Based on our review of the records, from January 4, 2012, to October 3, 2014, Ms. Dewitt entered the Galvez parking garage 557 times; she used her ID badge 15 times and pulled tickets the remaining 542 instances. By pulling 542 tickets upon entering the parking garage and not paying for those tickets upon exiting, Ms. Dewitt violated DEQ and OSB policies and deprived OSB of \$5,420 in funds. In doing so, Ms. Dewitt may have violated state law.³

We called Ms. Dewitt and her attorney to discuss the above findings; however, neither Ms. Dewitt nor her attorney was willing to talk to us.

If you have any questions about this letter report, please call Dan Daigle at 225-339-3800. This is a public report. Copies of this report have been delivered to the District Attorney of the 19th Judicial District of Louisiana and others as required by law.

Respectfully submitted,



Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP/aa

DEQ 2015

³ **La. R.S. 14:67, Theft (A)** states, in part, that “Theft is the misappropriation or taking of anything of value which belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations...”

APPENDIX A

Responses



State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF THE SECRETARY

April 22, 2015

Mr. Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

RE: Audit – Department of Environmental Quality

Dear Mr. Purpera:

I appreciate the responsiveness of your office to our request, pursuant to La. R.S. 24:523, for investigation into a time and attendance irregularity and recommendations for addressing same. Messrs. Kunta Osberry and Andrew Lejeune were very attentive to our concerns and did a good job analyzing the data provided to them based on our own inquiries and their requests.

As you are aware, the time and attendance irregularity was brought to my attention through receipt of an anonymous complaint in our Human Resources office. We investigated all issues identified in the complaint and addressed those found to have merit with the involved employees. Additionally, the following measures were taken to achieve a global resolution of the issues and to minimize the chance of future abuses:

- (1) DEQ became a tobacco-free workplace effective December 8, 2014. Not only did this measure help to ensure a safe and healthy environment for our employees, visitors and the public we serve, but it also addressed the issue of smokers taking extended or excessive breaks;
- (2) Then-Undersecretary Vince Sagnibene sent an e-mail to all DEQ employees on October 2, 2014 addressing concerns regarding work hours and work schedules. All employees were reminded about the flexible scheduling options for workdays and lunch breaks. Mr. Sagnibene's e-mail made it clear that management would like to continue flexible schedules; however, to do so all employees are required to avoid both actual and perceived abuses of the policy;
- (3) A new parking policy was issued requiring all employees to avoid parking during designated working hours in the parking spaces along the streets surrounding the Galvez Building. Essentially, this requires that all employees utilize the Galvez parking garage. The policy further requires all employees to utilize their authorized access card when entering and exiting the Galvez Building parking garage. Having available data from the parking garage will enable us to reconcile timesheets with the times employees actually arrived to and departed from the parking garage.

Mr. Daryl G. Purpera
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Much has been learned as a result of this experience and I am fully committed to ensuring that all necessary and appropriate measures are taken to prevent time and attendance abuses in the future. We will be conducting "spot checks" to ensure that DEQ employees are utilizing the Galvez Building parking garage and properly scanning access cards when entering and exiting. I will also send out policy reminders periodically related to both parking and work hours/work schedules. Finally, I am committed to recouping all unearned sums paid to Ms. Dewitt.

Again, please accept my sincere appreciation for the efforts expended by your office and for the professionalism of your staff.

Sincerely,



Peggy M. Hatch
Secretary



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April 22, 2015

*Also licensed in Mississippi
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Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor
P. O. Box 94397
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RE: Response to Legislative Auditor on behalf of Jennifer Dewitt

Dear Mr. Purpera:

Thank you and your staff for your professionalism and open dialogue over this report. At this time, I am advising my client to defer any formal comments to your report.

If you have any further questions, please direct all communication to me. I can be reached by phone at my office at (225) 383-9703 or on my cell at (225) 252-6065 or by email at beau@manassehandgill.com.

Thank you for your attention to this matter.

Sincerely,

Beau James Brock

BJB/ksp