

**Office of Inspector General
City of Albuquerque**



**Fiscal Year 2012 Annual Report
July 1, 2011 – June 30, 2012**



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September 7, 2012

Honorable Mayor, Members of the City Council, Accountability in Government Oversight Committee and Citizens of Albuquerque.

The mission of the Office of Inspector General (OIG) is:

“To promote a culture of integrity, accountability, and transparency throughout the City of Albuquerque in order to safeguard and preserve the public trust. The OIG will accomplish this mission by preventing, detecting, deterring and investigating fraud, waste and abuse, and promoting the efficiency and effectiveness in the programs and operations of the City of Albuquerque.”

We operate under the authority of the Inspector General Ordinance and Whistleblower Ordinance. The OIG was established as an independent organization which is not part of and does not report to the City’s executive branch or the City Council.

The Inspector General’s goals are:

- (1) Conduct investigations in an efficient, impartial, equitable and objective manner;
- (2) Prevent and detect fraud, waste and abuse in city activities including all city contracts and partnerships;
- (3) Deter criminal activity through independence in fact and appearance, investigation and interdiction; and,
- (4) Propose ways to increase the city's legal, fiscal and ethical accountability to insure that tax payers' dollars are spent in a manner consistent with the highest standards of local governments.

The OIG investigates allegations of fraud, waste and abuse in order to prevent recurrence, assist the City in achieving better results from limited resources and promote public trust in City government. Investigations are a response to allegations of improper governmental actions as defined in the Whistleblower Ordinance, matters involving potential violation or non-compliance with federal and state law, city ordinances and city regulations.

The IG Ordinance requires the Inspector General to report annually to the Council and the Mayor regarding activities and investigations of the office. This annual report of the OIG is for the year ended in June 30, 2012.

During this period, the OIG conducted and completed 16 investigations which represents a 267% increase over FY2011 (6 investigations). The OIG reported a total of 90 findings and

made 60 recommendations to Departments. The OIG conducted over 130 interviews, gathered and reviewed numerous documentation and issued 3 subpoenas. The following is a brief summation of those investigations and activities:

Investigations

- **06-27-12 Case# 12-214 Alleged Accident/Injury Involving Sun Van Chauffeur**
This investigation involved a concern by the Transit Department of an employee claiming injuries as a result of a situation with her vehicle. The OIG investigation reported 7 findings and made 1 recommendation to the Department.
- **06-25-12 Case# 12-215 Alleged Misuse of Fuel Cards by AFD Mechanic**
This investigation involved concerns that an AFD mechanic was possibly misusing fuels cards in his control. The OIG investigation reported 9 findings and made 6 recommendations to the Department.
- **06-25-12 Case# 12-213 Collision Involving a Motor Coach Operator**
This investigation involved concerns of possible collusion by the motor coach operator and the other vehicle's driver in order to claim workman's compensation. The OIG investigation reported 6 findings and made 3 recommendations to the Department.
- **05-11-12 Case# 12-211 Case Management Issues of DSA Employee**
This investigation involved concerns of possible false documentation and case management issues by a DSA employee. The OIG investigation reported 7 findings and made 3 recommendations to the Department.
- **04-20-12 Case# 12-212 Albuquerque Housing Authority**
This investigation involved concerns of violations of City policies by the Executive Director of the AHA. The OIG investigation reported 11 findings and made no recommendations based on the scope undertaken for this investigation.
- **04-20-12 Case# 12-210 Solid Waste, WUA Deposit**
This investigation involved a discrepancy of a deposit made by an employee and complaint made by a citizen for a water utility payment they did not get credit for. The OIG investigation reported 5 findings and made 10 recommendations to the Department.
- **03-16-12 CASE# 12-209 AFD Missing Deposit**
This investigation involved the disappearance of a deposit made/collected by an AFD employee. The OIG investigation reported 5 findings and made 5 recommendations to the Department.
- **02-17-12 CASE# 12-202 Whistleblower Complaint against the Solid Waste Management Department**
 - This investigation involved concerns regarding alleged acceptance of materials containing asbestos at one of the convenience centers. The OIG reported 7 findings and made 5 recommendations to the Department.

- **01-25-12 CASE# 12-208 Alleged Theft/Unauthorized Use of Credit Card**
This investigation involved a complaint by a Bio-Park patron whose credit card was fraudulently used. The OIG investigation reported 5 findings and made 3 recommendations to the Department. The Albuquerque Police Department also conducted an investigation into this matter.
- **12-21-11 CASE# 12-207 Violence in the Workplace-PRD**
This investigation involved an allegation of possible workplace violence in the workplace. The OIG investigation reported 5 findings and made 3 recommendations to the Department. The Albuquerque Police Department also conducted an investigation into this matter.
- **12-08-11 CASE# 12-205 PRD Brass Theft**
This investigation involved an allegation of theft of brass parts by an employee. The OIG investigation reported 5 findings and made 2 recommendations to the Department. The Albuquerque Police Department also conducted an investigation into this matter.
- **11-21-11 CASE# 12-206 Purchasing RFP**
This investigation involved an alleged improper release of proprietary information by an employee regarding an RFP. The OIG reported 2 findings and made 6 recommendations to the Department.
- **09-28-11 CASE# 12-201 - Kathleen White Incident Investigative Report**
This investigation involved alleged improper actions by the Director of Public Safety and/or APD personnel related to the events surrounding the Kathleen White vehicle accident. The OIG investigation reported 7 findings and made 3 recommendations.
- **08-18-11 CASE# 11-208 - PNM, Family and Community Services Department**
This investigation involved alleged misconduct by employees who falsified documents in order to receive financial help through the Public Service Company of New Mexico's (PNM) Good Neighbor Fund ("GNF"). The OIG reported 3 findings and made 3 recommendations to the Department.

Whistleblower Complaints

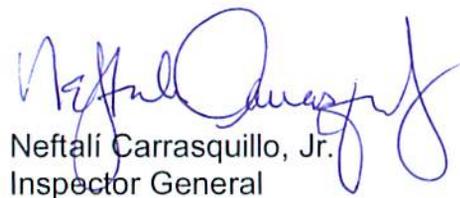
- During FY2012, the OIG received two complaints potentially falling within the Whistleblower reporting guidelines.
- Of the two complaints, only one was found to be valid and with merit resulting in a full investigation that was conducted and reported:
 - **02-17-12 CASE# 12-202 Whistleblower Complaint against the Solid Waste Management Department.** This investigation involved concerns regarding alleged acceptance of materials containing asbestos at one of the convenience centers. The OIG reported 7 findings and made 5 recommendations to the Department.

Other Activities

- The OIG conducted a review/investigation regarding a matter with an employee of the Cultural Services Department. This review/investigation was requested by the Director and involved equipment that was initially reported missing but then found after inquiries were made. The OIG reported 7 findings and made 7 recommendations to the Department.
- The OIG conducted a review/investigation at the request of the City Attorney into a matter involving 2008 payments by the City to a company for services contracted for. The City wanted the OIG to ascertain whether or not this company had completely fulfilled its obligations under the contract. The OIG reported 3 findings and made no recommendations.
- The OIG received 50 ESA complaints of which 2 resulted in OIG investigations conducted and reported:
 - 02-17-12 CASE# 12-202 Whistleblower Complaint against the Solid Waste Management Department
 - 01-25-12 CASE# 12-208 Alleged Theft/Unauthorized Use of Credit Card
- Ten (10) ESA complaints were referred to other City Departments of which 4 resulted in actions taken by the respective Department.
- The OIG created a flyer, which was distributed with all employee paychecks/stubs, in February 2012. The OIG flyer included information about the OIG's goals, investigations and requirements. The OIG flyer was also included on the OIG website and eweb page for both public and employee information.
- The Inspector General was accepted as a member of the Association of Certified Fraud Examiner's Advisory Council.
- The two IG Investigators studied, sat for and passed the certification examination to become Certified Fraud Examiners.

The OIG will continue to work with the City Council and the Administration to find the proper balance between independently reporting the results of investigations and maintaining the public's trust in the City and its employees.

Respectfully,



Neftali Carrasquillo, Jr.
Inspector General

ORGANIZATION CHART



OIG STAFF

A number of professional certifications are held by OIG staff members to include:

- (3) Certified Fraud Examiner (CFE)
- (1) Certified Compliance and Ethics Professional (CCEP)
- (1) Certified Forensic Interviewer (CFI)
- (1) Certified Professional Investigator (CPI)
- (1) Certified Protection Professional (CPP)
- (1) Certified Business Continuity Professional (CBCP)
- (1) Certified Institutional Protection Manager (CIPM)

The OIG Staff is active in numerous professional organizations to include:

Society of Corporate Compliance and Ethics (SCCE)
Association of Certified Fraud Examiners (ACFE)
Association of Certified Fraud Examiners (ACFE) Advisory Council
American Society for Industrial Security (ASIS)
Disaster Recovery Institute International (DRII)
International Foundation for Cultural Property Protection (IFCPP)
Association of Certified Inspector Generals (AIG)
International Association of Financial Crimes Investigators (IAFCI)
Institute of Internal Auditors (IIA)
Association of Government Accountants (AGA)

The OIG Staff is scheduled to attend the Association of Inspector General's Institute in August 2012 for the following certifications: Certified Inspector General (CIG) and Certified Inspector General Investigators (CIGI).

Staff Biographies

Neftali Carrasquillo, Jr. – Inspector General

Neftalí began his work with the OIG on July 11, 2011. He retired from the federal government, in 2011, after serving over 27 years with 24 years in federal law enforcement where he worked for the US Postal Inspection Service -- the oldest federal law enforcement agency in the United States. He has approximately 17 years in a managerial capacity and has had criminal investigative assignments in New York, Puerto Rico, US Virgin Islands, Maryland, District of Columbia, California and Colorado. He has a Master's in Public Administration (MPA) and Master's in Criminal Justice (MCJ) from the University of Colorado – Denver and, a Bachelor's of Business Administration from Baruch College, CUNY with a concentration in Finance and Investments. Neftali is also a CFE, CCEP, CFI, CPI, CPP, CBCP and CIPM and is also on the ACFE's Fraud Advisory Council.

Peter Pacheco – IG Investigator

Peter is an Investigator for the Office of Inspector General. He is a graduate of the University of New Mexico – Robert O. Anderson School of Business with a Bachelor's of Business Administration with a concentration in Finance. He previously worked for the Office of the State Auditor as a Senior Auditor. Peter serves on the Executive Committee for the New Mexico AGA chapter as the Chapter President and web master. He most recently became a CFE and plans to work toward becoming a CIGI and CFI.

JoVonne Jaramillo – IG Investigator

JoVonne is an Investigator for the Office of Inspector General. She is a graduate from the University of New Mexico with a Bachelor of Arts degree in Criminology. JoVonne has over 6 years of experience in investigations. Before joining the City, JoVonne worked as a Special Agent for the State of New Mexico Human Services Department Office of Inspector General, conducting investigations in public assistance fraud and employee misconduct. She most recently became a CFE and plans to work toward becoming a CIGI and CFI.