



OFFICE OF INSPECTOR GENERAL
City of Albuquerque



INVESTIGATION
FAMILY AND COMMUNITY SERVICES DEPARTMENT

**INVESTIGATION REPORT
DEPARTMENT OF FAMILY AND COMMUNITY SERVICES
DONATIONS
CASE NO. 15-202**

TABLE OF CONTENTS

	<u>PAGE NO.</u>
Executive Summary	2
OIG Investigative Report	4
Department Responses	11



OFFICE OF INSPECTOR GENERAL

City of Albuquerque

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EXECUTIVE SUMMARY

The Office of Inspector General (OIG) received a complaint concerning the Department of Family and Community Services. The complainant expressed concerns that the Health and Social Services Centers -- namely John Marshall and East Central -- were not donating items to the community, as they should, and that center employees were keeping some of the items.

The complainant was concerned that the donated items received by the John Marshall and East Central centers were not being given to the community members of those quadrants of the City.

The complainant informed the OIG that the John Marshall and East Central centers receive donated items from a local wholesale warehouse usually on a weekly basis. However, the complainant feels that these particular items are not made available to members of the community. Rather, the items are donated to other organizations, agencies and groups.

Investigative Facts

1. The East Central and John Marshall Health and Social Services Centers receive donated items from a local wholesale warehouse on a regular basis.
2. Most of the larger items and miscellaneous items (most of which are donated by the wholesale warehouse) are given to other organizations, agencies and groups, rather than to individual members of the community.
3. A draft Donation Policy has been created. However, a formal Donation Policy has not been implemented.
4. Both the East Central and John Marshall centers have kept some of the items donated from a local wholesale warehouse.

Investigative Findings

1. The East Central and John Marshall centers are not consistent in logging the donated items.

Conclusion

The East Central and John Marshall Health and Human Services Centers regularly receive donated items from a local wholesale warehouse. Most of the items donated to the centers are subsequently donated to other organizations and agencies. The Center Managers for both East Central and John Marshall admitted to having kept some donated items for use at the centers. Policies and procedures do not address how the centers are to handle certain types of donations. The OIG inquired about the location of specific items identified in the informant's allegation. The Centers were able to provide documentation as to where these items were subsequently donated. However, due to inconsistencies in the Centers' processes for recording incoming items, allegations of employees taking items home could not be substantiated.



CITY OF ALBUQUERQUE
Office of Inspector General
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June 24, 2015

Accountability in Government Oversight Committee
City of Albuquerque
Albuquerque, New Mexico

Investigation: Donations
Department of Family and Community Services
15-202

Final

INVESTIGATIVE REPORT

INTRODUCTION

The Office of Inspector General (OIG) received a complaint concerning the Department of Family and Community Services. The complainant expressed concerns that the Health and Social Services Centers -- namely John Marshall and East Central -- were not donating items to the community, as they should, and that center employees were keeping some of the items.

BACKGROUND

The City of Albuquerque (City) has four Health and Social Services Centers (Centers): Alamosa, East Central, John Marshall, and Los Griegos. Each of the four centers is located in a specific quadrant of the City. The centers are designed to provide services to low and moderate income residents, such as emergency food, clothing, diapers and utility and rental assistance. Personal identification and proof of residence are required in order to receive assistance.

Non-income based services are the non-monetary donations that the centers receive from individuals, local businesses and organizations. Accepted items include:

- Food
- Clothing
- Diapers
- School supplies
- Toys
- Bicycles

The current Health and Social Services Management Directive includes policies and procedures for these Non-income based services, and specifies how often individuals are permitted to receive each type of service. Depending on the service, frequency can be once a month, once a year, or once in a lifetime.

A formal Donation Policy has not been implemented; however, a draft Donation Policy has been created. Per the draft policy, the centers may also accept (and have accepted) items such as:

- Baby items
- Shoes
- Hygiene products
- Household products
- Small appliances and microwave ovens
- Dishes, pots and pans
- Hand tools
- Household furniture

The draft policy also stipulates that “Items must be clean and in working condition. Acceptance is based on need and space limitations.”

The draft Donation Policy had not yet been fully approved and implemented at the time the complaint was received by the OIG. In addition, the current Health and Social Services Management Directive policies and procedures do not address to whom (individual or organization) these additional items may be donated, nor does it specify how often an individual is permitted to receive these types of items.

Donations Logs and Forms

The East Central and John Marshall centers have a Donation Log for incoming items, in which the following is recorded:

- 1.) Name of center receiving donation
- 2.) Date the item(s) were received
- 3.) Description of the item(s)
- 4.) Name of the donor (Received from)
- 5.) Staff member who received the item(s)

A Donation Receipt Form for the items is given to the donor by the center staff. Per the draft Donation Policy, large items such as tables, chairs, and bikes are to be logged in the Donation Log and tracked until given to a referred client. Small items such as clothing, shoes, kitchen utensils, and small appliances are accepted and given out as needed. However, according to the draft policy, these items will not be recorded or tracked.

As John Marshall is the largest of the four centers, most donated items that are in addition to food and diapers are stored there.

Upon request, members of the community are provided assistance and items as needed. The centers also donate larger items (such as furniture) and miscellaneous items to various organizations and agencies. When items are donated to another organization or agency, a Donation to Partner Agency Form is completed. The form indicates which center made the donation, the name of the receiving organization, and the item(s) donated. The recipient of the donated item(s), as well as the center staff member, sign the form, thereby documenting the transaction.

Wholesale Warehouse

The OIG learned that a local wholesale warehouse (warehouse), donates items to the East Central and John Marshall centers on a regular basis -- as often as multiple times per week. The Social Services Center Managers for both East Central and John Marshall stated that employees from the two centers usually pick up the donated items from the warehouse twice a week. Vehicle Log records confirm the trips made to the warehouse one or two times per week.

The items donated by the warehouse are not brand new items. Rather, they are items that have been returned by customers and are considered "Non-Saleable" in some way. The items may be scratched, broken or used. According to the Center Managers, they never know what items they will be getting when they do the pickups. They stated that the warehouse usually just has a group of various items set aside and ready for pick up by Family and Community Services.

In addition to hygiene and cleaning products, the warehouse has donated a variety of items, such as:

- Camping tents
- Air mattresses
- Regular mattresses and box springs
- Pillows
- Various furniture items
- Ice chests
- Swimming pool toys
- Tool sets
- Suitcases
- Trash cans

Prior to March 2015, when an electronic tracking system was implemented, items received from the warehouse were not recorded on the Donation Log for incoming items. The OIG asked if the

warehouse items were logged separately, but was informed they were not. The Center Managers for East Central and John Marshall showed the OIG how items are currently tracked using the computerized 'Client Track System'. The tracking system shows all incoming donated items, and the name of the "provider" of those items. The system also shows all items that were "donated out" and where they were donated. The Center Managers showed that the warehouse is listed as a provider on this Client Track System.

Outgoing Donations

A concern was brought to our attention that many items donated by the warehouse, such as furniture, household goods, and other items, are donated out to other organizations and agencies, as opposed to being made available to members of the community who may come into the centers requesting assistance.

The centers provide assistance to members of the community on an as needed basis. According to the Center Managers for East Central and John Marshall, individuals who come into the center are asked what they need, as opposed to automatically showing what items the Center has at that time. This is in an attempt to avoid situations where an individual may request items simply based on want, as opposed to true need.

Donation to Partner Agency forms reflect that items have been donated to various organizations and agencies. Examples of donations range from tents donated to the Girl Scouts of New Mexico, to bicycles donated to the Esperanza Bike Shop.

The centers have also donated many items to Albuquerque Heading Home, an initiative aimed at combatting chronic homelessness. The organization works to get people into permanent housing, and many items have been donated to help furnish these homes. A Donation to Partner Agency Form dated December 5, 2014 shows a list of approximately thirty (30) items that were donated to the Heading Home office -- many of which were items given to the centers by the warehouse.

The Center Managers for both East Central and John Marshall stated that many of the items received from the warehouse are larger items, and the Centers do not have the storage space to house these types of items for an extended period. Therefore, it has become practice that whenever there are large item pickups from the warehouse, the centers contact Albuquerque Heading Home and make arrangements to donate the items there. The Managers also explained that they are not always sure what to do with some of the items donated by the warehouse, so they will try to identify what other groups or agencies may benefit from the items and donate out as they see fit.

The Center Manager for John Marshall also referred to a pamphlet, which provides information about all four centers, including the services provided at each center. She indicated that the services advertised are the services offered. Furniture and additional types of items are not advertised as services provided.

Retained Items

Another concern with regard to items that have been donated by the warehouse, is that some of the items were not donated out to other agencies or organizations at all. Rather, H&SSC staff kept some of the items there at the Centers. The Center Managers for both East Central and John Marshall admitted that they had kept a couple of donated office chairs. They indicated they were not trying to hide this, and even pointed out that the warehouse's "Non-Saleable" tags remained on the chairs. The chairs were slightly damaged in one way or another, but still usable. They also reasoned that they were able to save the City a bit of money by the Department not having to order office chairs.

There is no official or formal agreement between the warehouse and the centers with regard to the items the warehouse gives to the centers. The warehouse does not stipulate where the items must be donated. According to the Center Manager for East Central, as long as the items are not being sold, discretion is left to the center. The Center Manager also stated that the warehouse is aware that some items have been kept for the centers' use.

The John Marshall center kept a recently donated high-pressure power washer. The Center Manager stated that she was not sure if the washer actually worked or not. However, she thought that if it did work, it could be used at the center to clean off the walkways. She stated that another time the warehouse donated a refrigerator, which did not work. She thought that if they ordered the part(s) for the refrigerator to get it in working order again, it could be used in the center's food pantry. However, even after ordering the part, the refrigerator did not work, and the Solid Waste Department was contacted to come pick up the non-working refrigerator.

The East Central center kept a car battery jump starter. The Center Manager explained that this has been kept on hand in the event that a client's car battery dies while they are at the center.

Another concern was that some of the items were being taken home by center employees. However, due to the inconsistencies with logging items, this allegation could not be proven. The Community Services Operations Coordinator also mentioned that there are times when employees may use their personal vehicles to transfer items from one center to another, and this may give a false impression to onlookers.

The OIG reviewed some photographic evidence that was provided, of items that had been stored at the John Marshall center for a period of time. At the time the OIG visited the John Marshall center on March 23, 2015, these items were no longer at the center. The OIG provided the Community Services Operations Coordinator with photos of some of the items, and asked where the items went. He stated that these items were donated to Albuquerque Heading Home on December 5, 2014. A copy of a Donation to Partner Agency form, dated December 5, 2014 lists approximately thirty (30) items that John Marshall donated to the Heading Home office. Many of the listed items seemed to be those shown in the photos. The Program Manager for Albuquerque Heading Home signed off as the recipient of these items.

Contact with Warehouse

The OIG spoke with an employee in the Return to Vendor (RTV) Department of the warehouse. The OIG learned that the warehouse works with several Non-Profit organizations and businesses,

including the City of Albuquerque Health and Social Services Centers. The organizations and businesses must complete and sign a Merchandise Donation Acknowledgement form, and the only condition is that the donated items cannot be sold. Otherwise, the warehouse does not stipulate what an organization or business must do with the items or to whom the items must be given. The RTV employee stated it is at the discretion of the organization or business. The RTV employee also verified that organizations and businesses are not prohibited from keeping items the warehouse donates.

RECOMMENDATIONS

1. The Donation Policy should be updated and implemented, and should address:
 - a. How donations from the wholesale warehouse will be logged and tracked.
 - b. How donations to other agencies and organizations will be handled.
2. The Non-Income Based Services section of the Donation Policy should be updated to include:
 - a. Donations of hygiene products and household cleaning products.
 - b. Donations of household items to include dishes, appliances and furnishings.
3. The logging and tracking system should be updated so that *all* incoming donated items, as well as *all* items that are donated out, are tracked.
4. The centers should be consistent with the logging and tracking of items.
5. When transporting donated items, the center employees should consider utilizing only City vehicles, or the Department should consider implementing a policy addressing the use of personal vehicles.
6. The centers' management should consider whether keeping some of the items goes against the intent of the division's purpose and mission.

CONCLUSION

The East Central and John Marshall Health and Human Services Centers regularly receive donated items from a local wholesale warehouse. Most of the items donated to the centers are subsequently donated to other organizations and agencies. The Center Managers for both East Central and John Marshall admitted to having kept some donated items for use at the centers. Policies and procedures do not address how the centers are to handle certain types of donations. The OIG inquired about the location of specific items identified in the informant's allegation. The Centers were able to provide documentation as to where these items were subsequently donated. However, due to inconsistencies in the Centers' processes for recording incoming items, allegations of employees taking items home could not be substantiated.

REVIEWED BY:

Acting IG

IG Investigator

APPROVED:

APPROVED FOR PUBLICATION:

Peter J. Pacheco, CFE, CIGI
Acting IG, Office of Inspector General

Chairperson, Accountability in Government
Government Oversight



City of Albuquerque
Department of Family and Community Services
Douglas H. Chaplin, Director

Richard J. Berry, Mayor

Interoffice Memorandum

June 17, 2015

TO: Peter J. Pacheco, Acting IG, Office of Inspector General

FROM: Douglas H. Chaplin, Director, Department of Family & Community Services *DKP*

SUBJECT: **RESPONSE TO THE FINAL DRAFT OF THE INVESTIGATION REPORT NO. 15-202, DONATIONS, DEPARTMENT OF FAMILY AND COMMUNITY SERVICES.**

In reference to the Final Draft of the Investigation Report No. 15-202, Donations, Department of Family and Community Services the Department of Family and Community Services responds to the findings and recommendations as noted below:

FINDINGS

1. The East Central and John Marshall centers are not consistent in logging the donated items.

RESPONSE:

The Department of Family and Community Services concurs with the finding presented. Efforts will be made to rectify the inconsistencies with the logging of donated items. The Draft Donation Policy, as noted in REPORT NO. 15-202, will be updated to address logging of donated items. Once the Draft Donation Policy has been updated and approved, employees will be trained on the new policy to alleviate the inconsistencies with logging of donated items. The Department expects to have the Draft Donation Policy approved and implemented, to include training, by September 30, 2015.

RECOMMENDATIONS

1. The Donation Policy should be updated and implemented, and should address:
 - a. How donations from the wholesale warehouse will be logged and tracked.
 - b. How donations to other agencies and organizations will be handled.

RESPONSE:

The Department of Family and Community Services concurs with recommendation 1a. and 1b. The Draft Donation Policy will be updated to reflect the recommendations listed in 1a. and 1b. The Department expects to

have the Donation Policy approved and implemented, to include training, by September 30, 2015.

2. The Non-Income Based Services section of the Donation Policy should be updated to include:
 - a. Donations of hygiene products and household cleaning products.
 - b. Donations of household items to include dishes, appliances, and furnishings.

RESPONSE:

The Department of Family and Community Services concurs with recommendation 2a. and 2b. The Draft Donation Policy will be updated to reflect the recommendations listed in 2a. and 2b. The Department expects to have the Donation Policy approved and implemented, to include training, by September 30, 2015.

3. The logging and tracking system should be updated so that *all* incoming donated items, as well as *all* items that are donated out, are tracked.

RESPONSE:

The Department of Family and Community Services concurs with recommendation 3. The Draft Donation Policy will be updated to reflect the recommendations so that *all* incoming donations as well as *all* donated items are tracked. The Department expects to have the Donation Policy approved and implemented, to include training, by September 30, 2015.

4. The centers should be consistent with the logging and tracking of items.

RESPONSE:

Department of Family and Community Services concurs with recommendation 4. The Draft Donation Policy will be revised to address inconsistencies with logging and tracking of items. The Department expects to have the Donation Policy approved and implemented, to include training, by September 30, 2015.

5. When transporting donated items, the center employees should consider utilizing only City vehicles, or the Department should consider implementing a policy addressing the use of personal vehicles.

RESPONSE:

Department of Family and Community Services concurs with recommendation 5. The Division of Health and Social services will revise the current policy and procedure, Management Directive MD1-1 to prohibit the use of personal vehicles to transport donated items. The Division expects to have Management Directive MD1-1, revised, approved and implemented by September 30, 2015.

6. The centers' management should consider whether keeping some of the items goes against the intent of the division's purpose and mission.

RESPONSE:

Department of Family and Community Services concurs with recommendation 6. The Department will review current practices and compare with the Division's purpose and mission. If keeping donated items for use in the centers is contradictory to the intent of the Division's purpose and mission, the Draft Donation Policy will be updated to reflect such practices. The Department expects to have the Draft Donation Policy approved and implemented, by September 30, 2015.