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Report of Investigation

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SUBJECT: Highland Pool Alleged Employee Time Fraud

STATUS: Final

INVESTIGATOR: P.P.

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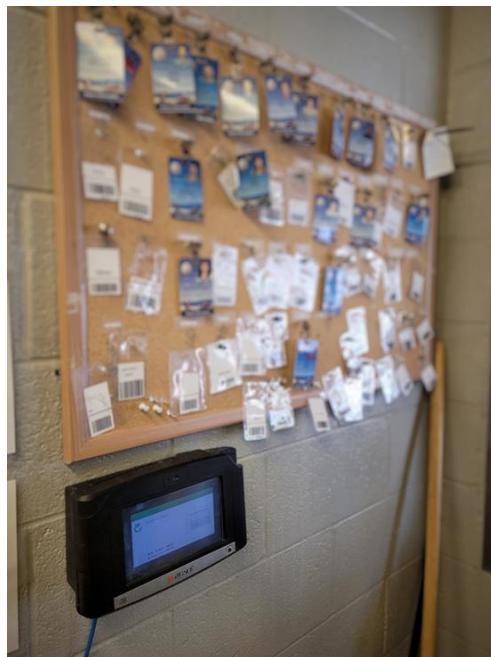
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Executive Summary

The City of Albuquerque (City) Office of the Inspector General (OIG) received an anonymous complaint regarding possible time reporting fraud at the Highland Pool which is managed by the Department of Parks and Recreation (DPR). According to the complaint, managers are asking the Head Lifeguards to clock them out long after they have left without completing their scheduled shift. Managers are allegedly leaving the site to go drink beer with each other. Because the managers are personal friends with each other they cover for one another and leave the pool largely unmanaged. The complaint did not specifically name any individuals.

Highland Pool is one of five indoor public pools operated by DPR. According to information received from DPR, Highland Pool has 47 part-time and 2 full-time employees. The majority of part-time staff are categorized as either seasonal or student employees. Highland Pools two full-time employees are an Aquatic Program Coordinator and a Head Pool manager. All employees except for the Head Pool Manager who is salaried, are paid hourly and are required to clock in and out.

Upon inspection of the Highland Pool facilities, OIG noted that the Kronos Timecard (Kronos) system, badges and scan cards¹ are located in the lifeguard locker room area. Badges and scan cards are to be used by staff paid hourly at the beginning and end of shift to clock in and out of the Kronos system. No camera is in this location and badges and scan cards can be easily accessed by anyone with access to the locker room area. See below for a picture of the Kronos system and staff badges and scan cards, which was taken by OIG.



The OIG analyzed Kronos timesheet records, inspected Highland Pool security footage, conducted numerous interviews with staff and site visits to determine if employees were

¹ Scan cards can be used in lieu of a City badge if an employee loses their badge or if the employees unable to go to the downtown office to have a badge made.

committing timesheet fraud as alleged. For the purposes of this investigation, timesheet fraud may be defined as employees clocking one another in (i.e. before they arrive to the premises to work their regularly scheduled shift), or clocking one another out (i.e. after not completing their regularly scheduled shift by leaving the premises at an earlier time) or taking extended lunch breaks while on the clock. These are all instances where employees are being paid for time not actually worked. During the investigation, the following issues were identified, to include:

- Several Highland Pool employees interviewed stated that they either had knowledge of other employees clocking each other in or out, had someone clock them in or out, or had clocked someone else in or out.
- Three employees interviewed admitted to clocking in or clocking out a fellow employee after the employee had already left or before the fellow employee arrived to work. According to the employees interviewed, times clocked in or out ranged from fifteen minutes to one hour each instance. Hourly rates for these employees ranged from \$10.50 to \$11.50 per hour.
- The fact that employee badges/scan cards are left pinned to a corkboard, as well as the fact the badges/scan cards are left near the Kronos System allows for anyone's badges/scan cards to be easily accessed to clock each other in and out without detection. According to the Aquatic Program Coordinator, employees are instructed to leave their badges/scan cards pinned to the corkboard so that management can approve their timesheets in the event staff forget to do so at end of each pay period. However, according to the City's Kronos New Employee Training V8 for Managers, "Employees are expected to Review and Approve their own timecards at the end of each pay period."
- A review of the Kronos system from February 1, 2021 through April 30, 2021, revealed that the Head Pool Manager clocked the Aquatics Program Coordinator in or out 131 different times. The Aquatics Program Coordinator only made 11 self-entries. The Head Pool Manager entered the exact times of 8:00 am to 4:30 pm workday for 48 days with no comments as to why it was done. The Head Pool Manager also made several other adjustments to other employees' time without adding any comments.
- Employees admitted to taking extended lunch breaks, in some instances an hour or more over their scheduled lunch break while on the clock.
- The Head Pool Manager shared her Kronos Supervisor login with the Aquatic Program Coordinator, which allowed him to make changes under her identity. The Aquatic Program Coordinator admitted to making changes in the Kronos system on the Head Pool Managers behalf.
- A review of security video footage showed an employee on their personal cell phone for approximately one and a half hours and another employee applying make-up and curling their hair at the front desk for approximately one and a half hours during their morning shifts. (According to Aquatic Program Coordinator, cashiers at the front desk are allowed to do homework when not assisting customers.)
- The Head Pool Manager acknowledged that she was aware of time card abuse occurring, but has not disciplined staff besides giving verbal warnings.

No evidence was found during the investigation to corroborate whether managers drank beer when they left early.

The OIG is making the following recommendations:

1. Written policies and procedures should be created governing the proper use of the Kronos system. DPR Policies should prohibit employees from clocking in or out on others behalf and should include consequences for violations of policy.
2. The Kronos system should be relocated to where it can be visible to management and if possible a video camera to prevent fraudulent misuse of the Kronos system.
3. Management should review locations of Kronos systems at the other pool locations to determine if they should be relocated.
4. Employees should maintain possession of their own identification badge or scan cards.
5. Kronos approvers, supervisors and staff should receive periodic training regarding Kronos policy to include adding or adjusting time, and ensuring employees are complying with policy to include not sharing log in information.
6. As a reminder, a sign should be posted above every Kronos system stating that employees should only swipe their own badge.

Abbreviations

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|---------|---|
| OIG: | Office of Inspector General |
| City: | City of Albuquerque |
| DPR: | Department of Parks and Recreation |
| DTI: | Department of Technology and Innovation |
| ESJ: | East San Jose Pool |
| Kronos: | Kronos Timecard System |
| SOP: | Standard Operating Procedure |
| ADM: | Aquatic Division Manager |
| APC: | Aquatics Pool Coordinator |
| HPM: | Head Pool Manager |
| SPS-1: | Student Pool Supervisor 1 |
| SPS-2: | Student Pool Supervisor 2 |
| SE-1: | Student Employee 1 |
| SE-2: | Student Employee 2 |
| SE-3: | Student Employee 3 |
| SE-4: | Student Employee 4 |
| SE-5: | Student Employee 5 |

Introduction

The mission of the Office of the Inspector General (OIG) is to promote a culture of integrity, accountability, and transparency throughout the City of Albuquerque (City) in order to safeguard and preserve the public trust. An anonymous complaint was received by the OIG that expressed concerns about the Department of Parks and Recreation (DPR) Highland Pool.

According to the complaint, managers at Highland Pool are leaving the site to go drink beer with each other and are asking the Head Lifeguards to clock them out long after they have left. The managers are personal friends with each other and they cover for one another and leave the pool largely unmanaged.

Highland Pool is one of five indoor public pools operated by DPR. From information received from DPR, Highland Pool has approximately 47 part time and two full time employees. The majority of part-time staff are categorized as either seasonal or student employees that are paid hourly. According to the City's Human Resources Department, student employees should be enrolled in Highschool or an educational institution. Highland Pools two (2) full time City employees are an Aquatic Program Coordinator (APC) and a Head Pool manager (HPM).

Scope and Methodology

The OIG's investigation focused on employees at Highland Pool to determine if employees are committing timecard fraud. The methodology will consist of:

- Review of pertinent documents to include Kronos system timecard data;
- Review of relevant City Ordinances, Standard Operating Procedures (SOP's) and City policies and procedures
- Site visits to Highland Pool and to four other City pools;
- Review security camera video footage of Highland Pool; and
- Interviews of relevant staff.

Investigation

Due to the fact that no names were given in the compliant and the number of employees at Highland Pool, the OIG decided to randomly choose a few employees from Highland Pool to contact to see if they could corroborate the complaint. The employees that were contacted were cooperative and provided information that warranted opening and investigation. The OIG was originally investigating the Head Lifeguards and Managers, but the information gathered expanded the number of employees that may have fraudulently reported their time in the Kronos Timecard (Kronos) system.

All employees at Highland Pool with exception of the Head Pool Manager are to use their badges or scan cards to log in and out using the Kronos system which is located in the lifeguard locker area. The APC may also utilize a City issued laptop or cell phone app to clock in and out.

SE-1 requested to remain anonymous and was asked several questions. When asked if pool supervisors have left early and had someone else clock them out, SE-1 did not know. SE-1 stated that managers, APC and HPM, have left a little bit early to run errands. SE-1 stated that they do not clock in or out and believes they are on salary. (The OIG confirmed that APC is hourly and would have to clock in and out and that HPM is salaried) When they go to lunches, about four or five of them will leave at a time and SE-1 will be the only one at the front desk and the lifeguards at the pool area. The ones that leave are SE-5, SPS-1, APC and HPM.

When asked if SPS-1 and SPS-2 hang out together. SE-1 stated usually not. SE-1 knows SPS-1 will get there late and leave early or will just sit in the back on the computer and watch videos.

SE-1 was asked if they were aware of any employees giving their badge to another employee to clock them in or out. SE-1 stated that they have done it when arriving at work the same time as another employee, SE-1 will clock them in so they don't have to go to the back. When asked who are the persons that have clocked other people in or out, SE-1 stated SE-3 and SE-4 typically do.

SE-1 has not heard of employees leaving early to drink beer.

SE-2 wanted to remain anonymous and provided the following information. SE-2 has noticed other employees clocking each other in and out. SE-2 has heard coworkers ask others to clock them out 15 minutes after they have left. SE-5 has offered to clock SE-2 and a couple of other employees out if they wanted to leave early and be clocked out when SE-5 left. SE-2 stated that management and a few employees have taken extended lunches and on occasion have not returned.

SE-2 has not heard of employees leaving early to drink beer. SE-2 stated that APC does leave to go to other pools frequently and usually goes in the City vehicle.

Onsite Visit

The OIG conducted a site visit to Highland Pool and met the Aquatics Division Manager (ADM) who gave a walkthrough of the office area and pool area. The Kronos system is located in the lifeguard locker room. Above the Kronos system is a corkboard which has everyone's ID badge or scan card, for those who do not have a badge, that is used to log into the Kronos system. There are no cameras that are in view of the Kronos system nor the corkboard. When asked about the location, the ADM stated that the Kronos system and corkboard were previously located in the office, but because of its close proximity to where cash is reconciled, it was moved. When asked why the badges and scan cards are located so close to the Kronos system, ADM stated that employees were frequently losing their badges and it was better to have the badges kept all at one location.



Data Review

A request was sent to the Director of DPR requesting a list of all employees assigned to Highland Pool. OIG then requested that the Department of Technology and Innovation (DTI)

provide the timecard information for those employees. DTI was able to filter out information and provide 60 days of Kronos clock swipe use at Highland Pool. The data received from DTI was reviewed and revealed several employees clocking out at the exact same time and also showed a pattern of which employees may have been clocking in or out other employees.

The Kronos system has a function to do a Timecard Audit Trail which contains information detailing every time an employee swipes their badge/scan card or if a Kronos administrator adjusts time. Supervisors with administrative access to the Kronos system can make time entry adjustments on staff's behalf when necessary, such as occasionally forgetting to clock in or out. When this is done, the supervisor is supposed to add a comment on why an entry was made.

In review of the data from DTI, for the 60 day period, there were only nine (9) clock entries made by APC's badge. APC's work schedule in Kronos is 8:00 am to 4:30 pm and APC should be clocking in and out on Kronos every work day.

A Kronos Timecard Audit Trail review was also done on APC from February 1, 2021 through April 30, 2021. The audit revealed that HPM used their administrative access and entered 131 entries for APC. During the same time period, APC only had 11 badge entries (Could have been done by APC or another employee on his behalf). The review also revealed that HPM entered APC's time of exactly 8:00 am to 4:30 pm for 48 days with no comments on why it was done.

APC

APC was asked what methods he uses to clock in and out. APC stated he has remote access on his phone due to the pandemic and also has his badge that can be used at Highland pool. When asked if enters his information on his phone with his employee number, APC stated yes.

The OIG reminded APC that when they first met, APC stated that he clocked himself in and out. APC was informed that a Kronos audit review was done by the OIG and that it appears in a three-month period HPM made 131 Kronos entries and that APC's badge was used 11 times. APC was asked to explain why this was done. APC stated that during the pandemic they were still doing "home stuff" and he was at home with his kids, so he would forget to clock in and out. The OIG stated that during the dates reviewed that he was probably back at Highland pool. APC stated, yes, they were probably back, but were still working from home and coming in a "little late, leaving a little early". Other times he was probably down at East San Jose (ESJ) pool doing some "stuff". The OIG stated that HPM had clocked APC in and out 48 days for his schedule of 8:00 am to 4:30 pm. APC replied that would be a little suspect. APC stated that he did work those hours and claimed he starts doing emails and phone calls at 7:00 am, he just did not clock himself in or out. The OIG commented that a few times is reasonable, but that many looks suspicious. APC agreed. APC's hour rate is \$19.01 an hour.

HPM

The OIG informed HPM about APC's work schedule of 8:00 am to 4:30 pm and how APC stated that he clocked himself in and out. When in fact, HPM clocked APC in/out 131 times and APC's badge was only used 11 times during the 3 month period. HPM stated this is just coming off Covid and they had not gotten back to how they operate. HPM did not have a response when asked how she knew he was working those exact hours she was clocking him in and out for.

The OIG did a Kronos Timecard Audit Trail review of the two (2) Student Pool Supervisors at Highland Pool from February 1 through April 30, 2021. SPS-1 had 57 entries entered by HPM and SP-2 had one entry made by HPM.

SPS-1 was asked to explain why HPM made so many Kronos entries for him. SPS-1 stated that “Just forgot, sometimes ready to go and just walks out. When he gets to work sometimes, he forgets to clock in”. When asked if this was too many instances, SPS-1 replied that management has never said anything to him. SPS-1’s hourly rate is \$13 per hour.

HPM was asked to explain why so many adjustments were made and why there were not any comments. HPM stated, she could not, “Like I said, that is a lot. SPS-1 is really bad in clocking in and out”.

The OIG told HPM that previously during the interview, she stated that she would add comments in Kronos, but there were not any for APC or SPS-1. HPM stated, “Yea, yes”. When asked if this was error on her part, HPM had no comment or response.

When interviewing employees from Highland Pool, employees’ responses for when APC arrived and left work varied. However, none of the responses stated that APC worked from 8:00 to 4:30 pm.

Employees Misuse of Kronos System

During the interview process, SE-3 and SE-4 were asked to explain how they were both clocking in and out at the same time during their shifts.

When asked if anyone had ever clocked her out, SE-3 stated yes, she has asked SE-4 to do it a lot, and another cashier has also done it a few times. If someone was coming in and going to clock in, she would ask them to clock her out. When asked if she leaves early, SE-3 stated not normally, but it has happened. SE-3 was told that several of SE-3 and SE-4’s times in Kronos had the same time for clocking in and out. SE-3 was asked if they get there at the same time, SE-3 stated no. SE-3 replied that sometimes whomever gets there first would clock the other person in, but that it is “never like an hour late and just a couple of minutes”. Human Resources data shows that SE-3 and SE-4 make \$10.50 an hour.

When asked about SE-5 clocking her out, SE-3 stated he used to clock her out a lot at night. SE-3 stated it was frequently. But they don’t work together any more. SE-3 would leave closer to 8:00 pm and SE-5 would clock her out closer to 9:00 pm. SE-3 would leave about 45 minutes to an hour before SE-5 clocked her out. When asked if she knew that was wrong to do, SE-3 stated yes. When asked if SE-3 had clocked out anybody who was abusing the time? SE-3 stated, “It would be hypocritical of her to say that she has not abused the clock before, so yea I have done it before”.

SE-4 was asked if she had heard or seen anyone ask SE-5 to clock them in/out or clock SE-5 in/out? SE-4 replied that SE-5 has clocked her out in the evenings. SE-4 replied that SE-5 usually clocks them out 30 to 45 minutes after they leave. SE-4 admitted to getting paid 30 to 45 minutes for time not worked per shift. SE-4 stated they could stay until 9:00 pm, but SE-5 offered and sometimes they would ask him to clock them out when he leaves. It has not happened as often. When asked if she knew this was wrong, SE-4 stated yes.

SE-4 also stated that SE-3 has also clocked her in/out and vice versa. SE-4 explained if she and SE-3 are working a 1:45 to 4:00 pm shift, SE-4 usually gets there early and SE-3 arrives around the start of the shift. If SE-4 gets there at 1:20 pm, she will clock them both in. SE-4 stated that she knows it is not right. When their shift ends, usually one person will go to clock them both out.

SE-5 was asked if he clocked out any cashiers. SE-5 stated he thinks when he was a Head Lifeguard, working shifts late at night. The doors would close at 8:30 pm and he would stay until 9:00 pm. The cashiers would be gone at about 8:30 pm to 8:45 pm and he would clock them out at 9:00 pm when he left. This has stopped since his new role as a supervisor (1 ½ months). SE-5 was told about employees stating to the OIG that they would ask him to clock them out. SE-5 was told this is considered time fraud and if he knew he should not be doing it. SE-5 replied, yes. When asked why he did it, SE-5 stated the cashiers were budgeted for those hours.

Regarding policies or procedures for the Kronos system, SE-5 stated there are none that he is aware of. SE-5 was asked if he recalled any instances where he was told to keep a paper trail detailing clocking out other employees. SE-5 stated no, there was no paper trail. When asked if APC or HPM were aware of him clocking other employees out, SE-5 stated he did not think so.

APC was asked if there has been any disciplinary action taken against any employee for abusing the Kronos system. APC stated yes, “employees being clocked in after their shifts ended. We tell them to go home and will take them off shifts the following week. Mostly a verbal talking to, if it becomes an issue we will write something up”.

HPM was asked if she had heard or seen the cashiers leave early or if someone has clocked them out? HPM stated, she has not. When asked if she had seen or heard of SE-5 clocking in someone or someone clocking him out. She replied, no.

When asked if there has been any disciplinary action taken against any employees abusing the Kronos system. HPM replied nothing in writing, if anything it would be a verbal warning. When asked if there was an instance where there should have been written discipline. HPM stated, “absolutely”. When asked why she believes she has not given any, HPM stated, “she does not have a great excuse, she is just trying to scramble around, figure out how to work again after everything that has happen. She is stretched pretty thin. After hearing what is going on, she had been focusing on other stuff and it has slipped through the crack”.

When asked if employees are supposed to notify her and APC if other employees are clocking in and out others for legitimate reasons like working at another pool. HPM stated she is aware of that, especially in springtime and ESJ Pool. Their Kronos system was down (over a year), but it is now operating. Previously employees working at ESJ Pool would have to clock in at Highland Pool. They would call in over the phone and say they were at ESJ Pool and to clock them in. When asked if the cashiers clocked them in and if they would leave notes that they did, HPM stated they did not leave notes. They would clock them in on their own. When asked if this is something that should be allowed or if she should be aware of, HPM replied it should not be allowed.

When asked if there are policies regarding clocking in and out, HPM believes there is something in the lifeguard manual, but it does not specifically state you should not be clocking in other people, it says that you should clock in 10 minutes before schedule.

During the investigation, several other Highland Pool employees were interviewed and each stated that they either had knowledge of other employees clocking each other in or out, or had clocked someone else in or out.

During the interviews, the majority of staff stated that they were told to only clock in/out themselves or that it was understood that they should only clock in/out themselves.

Kronos Password Sharing

APC was asked if he had any training on the Kronos system being that APC is in management. APC replied yes, he has taken a couple of Kronos classes. During the training, it was conveyed that only the employee should use their badge to clock in. When asked if APC was an administrator in the Kronos system, APC stated he was not, “at least that is what he thinks. A lot of his passwords do not work”. When asked if APC was the manager of Highland pool, he stated yes. Technically, he is the manager and the Head Pool Manager (HPM) is the cluster manager for Highland, East San Jose (ESJ) and Wilson pools. When asked who approves the employee’s timecards, APC stated the employees do. HPM will do the manager approval. When asked who can adjust employee’s time in Kronos, APC replied that he and HPM are the only ones. APC stated he would use HPM’s password to log into Kronos to adjust times once in a while. The adjustments will show that HPM has made the adjustments. APC was told that he should not be using HPM’s login information. APC replied, “That’s fine, I can stop doing that”.

HPM was asked if she is an administrator in Kronos. HPM replied, yes. HPM stated that APC is a timekeeper as well. When asked if APC has his own login, HPM stated no, he uses her login. When asked if they tried to get his own login, HPM stated that she couldn’t remember, when he took the class to become a timekeeper someone “dropped the ball”, she couldn’t remember what happened. We have never gone back to figure it out. When asked if he could adjust his own time, HPM stated yes, he can make his own adjustments. It is her job, but he has gone in there. HPM stated that they are not at Highland Pool at the same time. When asked if APC leaves an email or note when he has used her login to adjust times. HPM stated not consistently, especially with all the “Covid stuff”, we haven’t touched base that way. When asked if he had access prior to Covid, HPM stated yes.

HPM was asked what is the process when she goes into Kronos to adjust an employee’s time. She replied that right now they usually just have the employee leave a note on the desk stating they forgot to clock in. HPM will go in to Kronos and adjust the time. Employees are good at stating what time they left, like 4:32. If they just put they forgot to clock in last night, she will refer to their schedule and put in that time. She will put a comment in Kronos such as “forgot to punch”. If it is a different situation then she will usually put a detailed comment on what happened. However, upon inspection there were no comments noted for APC or SPS-1 in the three months reviewed. Regarding the sticky notes, it has been the whole year that the employees have had to do that. HPM stated that APC could also make adjustment for employees as well.

Video Review

The OIG obtained video from the DVR that was in the Managers office. There are four cameras located at Highland Pool. One is pointed towards the entrance, one towards the cashier area, one towards the station where the cash in reconciled and the last one is pointed towards the entrance to the office. The DVR was set to only recorded four days of video which was downloaded and reviewed. (After the download, the DVR system video retention was set to record for 14 days.)

A review of the video footage provided the following information:

Video Observation # 1:

- On May 19th, 2021, APC can be seen leaving Highland pool close to 3:00 pm and a review of APC's time card shows a time badge swipe at Highland pool at 5:00 pm.

The OIG informed APC that during review of video for May 19th 2021, APC can be seen leaving Highland Pool at 3:00 pm and did not return. APC was asked to explain why his timecard showed him being clocked out at 5:00 pm. APC stated he was at ESJ Pool, the week before opening. APC was asked if he asked someone to clock him out, APC stated probably, if he left and didn't clock himself out. APC either did it on his phone or asked SE-5 to clock him out. When asked if there was someone to verify he was there, APC replied probably not. The OIG asked APC to send any information after the interview to corroborate his story. APC stated he would look. Nothing was ever received.

SE-5 was the employee who clocked out APC on May 19, 2021 at 5:00 pm. His clock out time and APC's clock out time were both at 5:00 pm. SE-5 was asked to explain what happened. SE-5 stated as far as he knows, that was the day APC went to ESJ Pool, about a month or so ago. According to SE-5, he was asked to clock APC out when he was going to ESJ Pool and going home afterwards. SE-5 stated it has happened once or twice.

HPM was informed about APC leaving Highland Pool at 3:00 pm and asking an employee to clock him out at 5:00 pm. When asked if that was a problem asking someone to clock APC out, HPM stated, yes.

Video Observation #2:

- On May 20, 2021, an employee, SPS-2, working the morning shift can be seen on video on his personal cell phone for over one and a half hours.

SPS-2 stated he tries not to stay in one place to long, it shows laziness. He always makes sure to show he is doing his job instead of just sitting and looking at his phone. It shows more effort and it encourages the lifeguards and cashiers to do their jobs better.

The OIG asked SPS-2, so you don not sit and just look at your phone. SPS-2 stated that he tries to make sure that he never sits in front of a computer or stay in one spot for too long because it shows laziness. When asked to define "too long", SPS-2 stated an hour or more in front of a computer or phone. He tries to give himself a downtime of 10 minutes to calm and collect himself and then start all over again.

The OIG showed SPS-2 a picture of himself from May 20, 2021 at a desk behind the cashier's area. The OIG explained that the photo was from video, which shows SPS-2 on his personal cell phone from approximately 5:54 am to 7:32 am. SPS-2 stated, "Oh okay, those are the times he stayed too long then". SPS-2 was asked to explain and stated that he believes he was caught in the moment and time flew by. The OIG commented, "you stated that was one of the times, did you do it more than that". SPS-2 replied that when he first began as a Head Lifeguard he was very procrastinating, but HPM got on him for that.

APC was told about SPS-2 being on a personal cell phone for approximately one and a half hours and if that was acceptable. APC stated no, there is many things SPS-2 should be doing at that time.

The OIG informed HPM about SPS-2 seen on video on his cell phone for an hour and a half and if that was acceptable. HPM stated that was unacceptable.

Video Observation #3:

- On May 19, 2021, an employee working the morning shift was can be seen on video applying make-up and using a curling iron for approximately one and a half hours.

APC was informed about the female applying makeup and curling her hair approximately one and a half hours and asked if that was acceptable. APC stated no. APC stated that when there is down time everyone has something to do, except for cashiers; they have to sit there and wait for the phone to ring. They are allowed to do their homework.

The OIG informed HPM about an employee applying make-up, curling her hair for approximately, and hour and a half. HPM replied that was also unacceptable.

According to the City's Cash Management Policies & Procedures Manual:

"There is no such thing (as) just a cash handler or cashier. As far as most citizens are concerned, you are the City! When citizens or customers arrive, greet them pleasantly; when customers have questions, answer them expertly, because when customers leave=, you are the one they will remember."

Extended Lunches

During the interview process, several employees that were interviewed stated that SPS-1, SE-5, APC and HPM take extended lunches and sometimes do not return.

SPS-1 stated that when they go for lunch, they usually go for a little over an hour. If some of them stay longer, it is not very often. According to SPS-1, on Fridays, if we are done with work and it is towards the end of the work day they may go to lunch and not return. When asked if they go back to clock out or call to have someone do it, SPS-1 stated Fridays are half day and it is the end of his work day when they go. He will clock out or forget to. SPS-1 stated that as a student employee he can only work up to 29 hours per week.

If they are gone long, they would usually be running errands or going to ESJ or Wilson pool. When asked if all four of them will go for lunch and run errands, SPS-1 stated, yes. When asked if he is allowed to take an hour lunch or half an hour lunch working five hours a day. SPS-1 stated a lot of times when they are at lunch they talk about what is going on at the pools, with employees. They have a lot of employees. Many of them are high school age and there is always a lot going on. They go to lunch to talk about it without the employees listening.

SE-5 stated that he has only gone a few times, usually on Fridays. They have been 45 minutes to an hour. Usually everyone comes back. One time it was later than an hour when he went with HPM and APC. Does not recall how long.

APC stated that they usually go for one hour to an hour and a half. They may go together and may do work errands after. They will not go home. APC's lunch period is 30 minutes. When asked about making up the time APC stated it is a working lunch. They talk about work.

HPM stated lunch is usually about one and a half hours. They usually drive separately. HPM does not think people take longer. When asked if people return from lunch, she is not aware of anything, but if they don't go directly back to Highland Pool, they are usually going to another pool or running errands. When asked if she has returned from lunch, she replied not all of them, some of them, if they go late and it's like 2:40 pm, then she will leave from lunch to pick up her child. When asked how APC makes up his time if he only has 30-minute lunch. HPM replied that APC works weekends most of the time and he takes phone calls in the night from parents and Head Lifeguards. It is a work and home situation. When asked if APC reports to her when he makes up his time, HPM stated she usually knows, APC will call her.

Payroll Division Manager (PDM)

The PDM was informed that an E-Series employee was clocking in an M-Series employee 95 percent of the time and if there was any written policy regarding clocking in other employees.

The PDM stated that it certainly is not a best practice. The problem is the City does not have that policy. There should really be a policy because managers shouldn't be clocking an employee in and out, unless an employee has inadvertently forgot to punch out one day. Then the manager has to go in and correct it. It shouldn't be something the manager is doing on a daily basis. The OIG replied that's the problem, we don't know if the M-series employee is in at those hours. PDM stated, "that's just it, that is the problem we have, we don't know if the employee is in those hours". If they get injured on the job, did they really work those hours? If they get busted drunk driving during those hours and show up as on the clock, on the City's dime, but they are on the clock parting, what type of liability does that open up to the City? As long as someone allows them to do it, they will continue to do it.

Site Visits

The OIG conducted site visits to four other City pools to view the locations of the Kronos systems and location of the badges.

- Sierra Vista Pool had the Kronos system in the main area where cashiers are located. There was a camera facing the Kronos system, although we were informed that the DVR

had been stolen a few months back. Management stated that they were in the process of getting a new camera system. There were two badges hanging next to the Kronos system. Management stated that the lifeguards did not want to lose them so they attach them to the board.

- West Mesa Pool had the Kronos system in a room that was used for medical attention if needed. The badges were above and to the side of the Kronos System. Management stated that they were not aware of any abuse by employees clocking in and out each other.
- Sandia Pool had the Kronos System in the manager's office. Prior to being in the manager's office, the Kronos system was located in a break room, but due to bad fiber optics wiring, it was moved. The badges remained in the breakroom, but employees had to walk to the manager's office to clock in.
- Montgomery Pool had the Kronos system behind the cashier area with one badge hanging on a corkboard above it. This location only has a small office area with not much room.

Conclusion

During the investigation, the following issues were identified, to include:

- Several Highland Pool employees interviewed stated that they either had knowledge of other employees clocking each other in or out, had someone clock them in or out, or had clocked someone else in or out.
- Three employees interviewed admitted to clocking in or clocking out a fellow employee after the employee had already left or before the fellow employee arrived to work. According to the employees interviewed, times clocked in or out ranged from fifteen minutes to one hour each instance. Hourly rates for these employees ranged from \$10.50 to \$11.50 per hour.
- The fact that employee badges/scan cards are left pinned to a corkboard, as well as the fact the badges/scan cards are left near the Kronos System allows anyone's badges/scan cards to be easily accessed to clock each other in and out without detection. According to the Aquatic Program Coordinator, employees are instructed to leave their badges/scan cards pinned to the corkboard so that management can approve their timesheets in the event staff forget to do so at end of each pay period. However, according to the City's Kronos New Employee Training V8 for Managers, "Employees are expected to Review and Approve their own timecards at the end of each pay period."
- A review of the Kronos system from February 1, 2021 through April 30, 2021, revealed that the Head Pool Manager clocked the Aquatics Program Coordinator in or out 131 different times. The Aquatics Program Coordinator only made 11 self-entries. The Head Pool Manager entered the exact times of 8:00 am to 4:30 pm workday for 48 days with no comments as to why it was done. The Head Pool Manager also made several other adjustments to other employees' time without adding any comments.
- Employees admitted to taking extended lunches, in some instances an hour or more over their scheduled lunch break while on the clock.

- The Head Pool Manager shared her Kronos Supervisor login with the Aquatic Program Coordinator, which allowed him to make changes under her identity. The Aquatic Program Coordinator admitted to making changes in the Kronos system on the Head Pool Managers behalf.
- A review of security video footage showed an employee on their personal cell phone for approximately one and a half hours and another employee applying make-up and curling their hair at the front desk for approximately one and a half hours during their morning shifts. (According to Aquatic Program Coordinator, cashiers at the front desk are allowed to do homework when not assisting customers.)
- The Head Pool Manager acknowledged that she was aware of time card abuse occurring, but has not disciplined staff besides giving verbal warnings.

The OIG could not quantify the total number of hours that were fraudulently reported as being worked. Employees admitted to fraudulent reporting hours worked, but there was no data to compare when an employee left to the time the employee was actually clocked out. Employees did not give specific dates and times when this fraudulent time reporting occurred.

The OIG is making the following recommendations:

1. Written policies and procedures should be created governing the proper use of the Kronos system. DPR Policies should prohibit employees from clocking in or out on others behalf and should include consequences for violations of policy.
2. The Kronos system should be relocated to where it can be visible to management and if possible a video camera to prevent fraudulent misuse of the Kronos system.
3. Management should review locations of Kronos systems at the other pool locations to determine if they should be relocated.
4. Employees should maintain possession of their own identification badge or scan cards.
5. Kronos approvers, supervisors and staff should receive periodic training regarding Kronos policy to include adding or adjusting time, and ensuring employees are complying with policy to include not sharing log in information.
6. As a reminder, a sign should be posted above every Kronos system stating that employees should only swipe their own badge.



City of Albuquerque

Parks and Recreation Department



Timothy M. Keller, Mayor

David J. Simon, Director

Interoffice Memorandum

August 18, 2021

To: Nicole Kelley, Acting Inspector General
From: David J. Simon, Director, PRD 
Subject: Office of Inspector General/Office of Internal Audit--Alleged Employee Time Fraud at Highland Pool

The Parks and Recreation Department (PRD) has received the report of the OIG/OIA from the investigation into alleged time card fraud at Highland Pool. PRD appreciates the work performed by the OIG/OIA. PRD will respond accordingly. PRD has already taken actions, and is prepared to take others, based upon the report's recommendations.

The OIG/OIA report made six recommendations. PRD's responses and proposed actions are listed below each recommendation.

Recommendation 1: Written policies and procedures should be created governing the proper use of the Kronos system. DPR Policies should prohibit employees from clocking in or out on others behalf and should include consequences for violations of policy.

PRD Response: As part of general City and PRD policies, all employees are trained on time card procedures and the proper use of the Kronos system, including instruction not to clock other employees in or out. The PRD Aquatics Division will update all Policies and Procedures Manuals to address Kronos guidelines for both managers and employees. A training will be conducted during the week of October 4, 2021 for Aquatics Timekeepers, time Auditors, and Managers. PRD Aquatics Policies will prohibit employees from clocking in or out on others behalf and will include consequences for violations of policy. Additionally, Kronos approvers, supervisors and staff will receive quarterly training regarding Kronos policy to include adding or adjusting time, and ensuring employees are complying with policy to include not sharing log-in information.

Recommendation 2: The Kronos system should be relocated to where it can be visible to management and if possible a video camera to prevent fraudulent misuse of the Kronos system.

PRD Response: All Kronos time clocks will remain in their current locations (in view of supervisors). Moving the Kronos timeclock to the pool manager's office will violate City of Albuquerque cash handling policies that prohibit employees who are not cash handling-trained from accessing City monies. Additional surveillance cameras, however, have been installed at the Highland Pool that provide a full view of the Kronos timeclock location.

Recommendation 3: Management should review locations of Kronos systems at the other pool locations to determine if they should be relocated.

PRD Response: PRD Aquatics management has reviewed all Kronos timeclock locations and all locations have been deemed appropriate. PRD Aquatics will work to install additional surveillance cameras at all City of Albuquerque swimming pool employee timeclock locations as needed.

Recommendation 4: Employees should maintain possession of their own identification badge or scan cards.

PRD Response: Aquatics will no longer require employees to keep their employee badge in one centralized location. Employees will be required to maintain possession of their own employee badges or scan cards.

Recommendation 5: Kronos approvers, supervisors and staff should receive periodic training regarding Kronos policy to include adding or adjusting time, and ensuring employees are complying with policy, including not sharing log-in information.

PRD Response: See response to Recommendation 1.

Recommendation 6: As a reminder, a sign should be posted above every Kronos system stating that employees should only swipe their own badge.

PRD Response: PRD Aquatics will install a permanent sign at all City Pool facilities indicating that misuse of the Kronos timeclock could result in termination of employment with the City of Albuquerque. Timeclock misuse includes but is not limited to the following:

- Utilizing a badge assigned to a fellow employee for clock in or clock out purposes.
- Utilizing a badge or scan card for approval of a timecard by anyone other than the assigned employee.

cc. David Flores, Deputy Director, PRD
Mark Chavez, Associate Director, PRD
Josh Herbert, Aquatics Division Manager, PRD