



**Internal Audit Division
Finance Department
DeKalb County**

**DEKALB COUNTY
WATERSHED MANAGEMENT**

SPECIAL REVIEW

NEPOTISM COMPLAINT

AUGUST 2016

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Finance Department Internal Audit Division

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TRANSMITTAL MEMORANDUM

DATE: August 18, 2016
TO: Scott Towler, Watershed Management Director
FROM: Cornelia Louis, Deputy Director of Finance-Internal Audit
SUBJECT: Watershed Management
RE: Nepotism Complaint

Attached is a summary report prepared by Internal Audit on a Nepotism complaint. The issues raised in the report were discussed with you during on August 18, 2016.

We appreciate the cooperation and assistance we received from Watershed Management, Human Resources, and Innovation and Technology staff during the course of this review. If you have any questions about the audit or this report, please feel free to contact me at 404-371-2639.

Sincerely,

Cornelia Louis

cc: Appendix C



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GENERAL INFORMATION

Internal Audit received an anonymous complaint regarding Nepotism/Favoritism Inappropriate Workplace Relationships within the Watershed Management Department.

The complainant alleged that an Assistant Director (AD):

1. Hired a nephew as a Crew Worker (CW) and gave him preferential treatment such as:
 - (a) Intervening in supervisory discipline when the nephew caused problems through fighting, swearing, and threatening other employees,
 - (b) Taking no action when the nephew had a history of missing work without approval and without available leave, and
 - (c) Allowing the nephew to resign rather than terminate for cause when he was arrested and charged with aggravated assault and simple battery on a co-worker.

County Code on Nepotism

The DeKalb County “anti-nepotism policy applies to both merit and non-merit status employees” (*Administrative Procedures, Certification and Appointment – Article III*) “The employment of relatives within the same department (as defined in this *Code Section 20-69*) wherein there is a direct or indirect supervisory/subordinate relationship is prohibited.” (*Section 20-69(a), DeKalb County Code*) The term relatives include “aunt, uncle, nephew and niece.” (*Section 20-69 (c) (1), DeKalb County Code*) “The limitation on employment or promotion of relatives specified in this Code section shall apply to the continued employment of persons where the referenced relationships commence subsequent to their employment.” (*Section 20-69(d), DeKalb County Code*)

However, the County Code exempts certain employees from the provisions of Chapter 20-69, Personnel Code. “The provisions of this chapter shall **not** apply to any exempt position. The exempt positions include the following (*Section 20-4, DeKalb County Code*): “The head of the following departments: airport (Peachtree-DeKalb Airport); development; economic development; police services; fire and rescue services; geographical information systems; parks and recreation; physical plant management (facilities management); public works, including the **assistant directors and associate directors** of roads and drainage, **water and sewer**, sanitation, and fleet maintenance;” (*Section 20-4 (1) m, DeKalb County Code*).

Requirement on Disclosure of Relatives

In addition, the DeKalb County Government Application Form states, “If you have a relative working for DeKalb County Government, you are required to disclose their name(s) and the department in which they are employed on the application form submitted for hire, promotion, transfer or demotion. Failure to do so shall be grounds for disciplinary action or disqualification as applicable.” (*Form DCHRA-01*)



County Code for Dismissal or Disciplinary Action

The County Code lists 38 causes for dismissal or disciplinary action (*Section 20-191, DeKalb County Code*), the following relate to the complaints:

- (8) Failure to call in when sick or absent from work otherwise without prior approval.
- (13) Giving a false answer or false information on application.
- (14) Habitual unexcused tardiness.
- (27) Excessive absenteeism.
- (28) Exhaustion of annual leave without prior approval.
- (29) Abuse of sick leave.

PURPOSE AND SCOPE

The purpose of our review was to examine the facts obtained and determine if violation(s) of the County's Nepotism Policy or other employment-related policies exist.

We reviewed documentation obtained from Human Resources and payroll/timesheet documentation obtained from Innovation & Technology. In addition, we interviewed Watershed administrative and work crew personnel.



FINDINGS

1. Hiring

When the nephew (XH) was hired, his application did not show the AD as a relative; he answered "No" to the question of having any relatives employed by DeKalb County, but did list her as a beneficiary with the same address as his. In addition, Watershed personnel interviewed stated it was known XH was the AD's nephew.

He was hired in June 2012 as a District 2, CW. In January 2014, he was reassigned to Compliance-Roadhaven cost center, reporting to the AD. Office personnel and Crew Supervisors stated that this was a budgetary reassignment and that he was never supervised by the AD, but continued to be a CW and supervised by Crew Supervisors.

The AD was listed in the NEOGOV system as the hiring manager for XH's initial employment, although she did not sign the Human Resources Personnel Action Form PA2. However, she did sign the Personnel Action 2 (PA2) Form for his reassignment under her cost center.

2. Disciplinary Intervention

XH was suspended on two occasions:

1. In May 2013, he was suspended for sixteen hours without pay for "Conduct unbecoming an employee of the County while on duty" and "Malicious mischief, horseplay, wrestling or other undesirable conduct" (*Suspension Memorandum, May 17, 2013*).
2. In August-September 2013, he was suspended eighty hours without pay for "Leaving the work area without permission from the supervisor", "Insubordination or willful failure to carry out an official supervisory directive or job assignment", and "Threatening physical violence or striking a supervisor or subordinate" (*Suspension Memorandum, August 29, 2013*).

Crew Supervisors stated they knew of no intervention by the AD in any disciplinary actions.

3. Time and Leave Infractions

Over XH's three (3) years of employment, a cursory examination of his time record audit shows the following:

- Over one hundred incidents of problems with his timecard or tardiness (during the period August 2012 to April 2015).
- Over fifteen occasions of taking leave without prior approval (during the period July 2012 to March 2015).
- One occasion where XH was charged with 10 hours Unapproved Leave Without Pay and a note "No EAL [Employee Annual Leave] Available" on February 4, 2013. On March 1, 2013, a Historical Edit was performed changing the 10 hours on February 4, 2013 to Sick Leave.



- Over ten days of leave approved without pay (during the period August 2012 to May 2015).
- Nine days of unapproved leave without pay (during the period July 2012 to May 2015).

These actions appear to be reasons for discipline or termination according to the Manager's Guide, Chapter 6 – Disciplinary Actions and Appeals and *Section 20-191, DeKalb County Code* (see General Information, above). However, there is no record of any disciplinary actions for these infractions.

For the first ten weeks of his employment, XH work excessive hours, averaging over **64 hours** per week. On several occasions, he worked 16 hours a day. This resulted in a total base pay over five pay-periods of \$4,115 with overtime pay of \$3,738.

4. Termination

During the period January 2014 through January 2015, XH was incarcerated by the DeKalb Police Department on five occasions for misdemeanors such as Vehicle violations, Disorderly Conduct, Battery-Family Violence, and Cruelty to Children 3rd Degree. The incarcerations occurred outside of work hours and crew personnel stated they were not aware of them.

On May 26, 2015, XH was charged with Simple Battery (Misdemeanor) and Aggravated Assault (Felony) for hitting a co-worker and pulling a machete on him. He was paid "Other Administrative Pay" for May 27 and 28, 2015 and allowed to "Voluntarily Resign" on May 28, 2015 instead of being "Terminated" or "Resigned in Lieu of Termination." Being Terminated or Resigned in Lieu of Termination would prevent XH from being re-employed by the County for two years (*DeKalb Administrative Policies & Procedures, Reappointment*) where a voluntary resignation has no such limit on re-employment. Resignation documents were approved by the AD.

CONCLUSIONS

1. Hiring

XH falsified his application when answering "no" to the question regarding relatives working for DeKalb County. Even though the County's Nepotism Policy was not violated because of the exemption for department heads, nepotism occurred when the AD's nephew was hired and was moved to her cost center during his tenure with the County.

2. Disciplinary Intervention

Based on the interviews with XH's supervisors, we were unable to obtain evidence that the AD intervened in disciplinary actions.

3. Time and Leave Infractions

XH's time and leave record seems to fit the reasons for dismissal or disciplinary actions under Section 20-191; however, there were no disciplinary actions taken for time and leave infractions.



4. Termination

XH was allowed to voluntarily resign rather than be terminated by cause by the AD after attacking a co-worker and being charged with felony aggravated assault. Considering XH's record, this decision indicates a nepotistic attitude.

COMMENTS

Although actions in the areas of Hiring, Time and Leave, and Termination appeared to be violations of County nepotism policies, the AD is exempt from these policies due to *County Code Section 20-4*.

Human Resources should work with the Law Department to revisit the list of positions exempt from Personnel policies and procedures.



Approvals:

Original Signed by:

Cornelia Louis

Cornelia Louis
Deputy Director of Finance
Internal Audit Division
Department of Finance
DeKalb County



APPENDIX A – ACKNOWLEDGEMENTS

We would like to take this opportunity to thank the management and staff of Watershed Management, Human Resources, and Innovation & Technology for their assistance during this engagement.

Conducted by:

A. Murray Walters
Principal Auditor
Finance Department - Internal Audit Division

Reviewed by:

Cornelia Louis
Deputy Director of Finance
Finance Department - Internal Audit Division



APPENDIX B – DEFINITIONS AND ABBREVIATIONS

Acronyms and Abbreviation

Watershed – DeKalb County Watershed Management Department

AD – Assistant Director

CW – Crew Worker

XH – Initials of nephew to the Assistant Director

Code – DeKalb County Municipal Code

NEOGOV – DeKalb County Human Resources employment software

PA2 – DeKalb County Human Resources Personnel Action Form

EAL – Employee Annual Leave

Definitions

Municipal Code – The set of laws (ordinances) enacted by and governing DeKalb County.

Favoritism – “The preferential treatment of a person or group of people over other people or groups in the same unit.”¹

Nepotism – “Favoritism shown on the basis of family relationship.”²

¹ www.businessdictionary.com

² www.dictionary.com



APPENDIX C – DISTRIBUTION LIST

This report has been distributed to the following individuals:

DeKalb County Board of Commissioners

Lee May, Interim Chief Executive Officer

Zachary L. Williams, Chief Operating Officer/ Executive Assistant

O.V. Brantley, Chief Legal Officer

Preston Stephens, Interim Assistant Finance Director