

Investigative Report

Planning and Zoning Temporary Employee Misused a City Vehicle

February 2020



We found evidence that Gregory Watson, a temporary employee at the Planning and Zoning Department, misused an assigned City vehicle to regularly drive himself home and run personal errands.

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Cover: View of Waller Creek Center, Office of the City Auditor

Allegation

In March 2019, the Office of the City Auditor received an allegation about a Development Services Department vehicle parked in a residential neighborhood at odd hours of the day. The informant added that the driver did not appear to be working when the truck was seen.

Background

The Planning and Zoning Department is responsible for planning and design work for the City of Austin. As a temporary employee at the Planning and Zoning Department, Watson's job responsibilities include posting notices for proposed zoning changes at various locations in the City and require a City vehicle.

Investigation Results Summary

We found evidence that Watson, a temporary employee at the Planning and Zoning Department, misused his City vehicle. Specifically, we found evidence that between June 4 and June 25, 2019, Watson took his City vehicle home on 13 different occasions and used the vehicle to run personal errands on at least 9 other occasions. We confirmed that Watson's vehicle was not authorized for commuting to and from his home or for personal errands.

Finding 1

Misuse of City Resources

As part of Watson's role, he is allowed to use a City vehicle during his work hours to post notices around the City. According to his supervisor, Watson is not allowed to take the vehicle home. The vehicle is also not to be used for any personal errands. We looked at Watson's use of his assigned vehicle between June 4 and June 25, 2019, and found the following misuse:

- Watson took his City vehicle home on 13 different days. On each of those days, the vehicle was parked at his house for over two hours. Watson's home is roughly 10 miles from the parking garage where he is expected to leave his City vehicle at the end of his shift.
- Watson also used the City vehicle at least 9 times for personal errands, which included several stops in Austin and one in Buda.

When we spoke with Watson, he confirmed that he used his City vehicle to go home and to run personal errands. When asked how frequently he ran errands or went shopping while working, Watson responded, "probably the majority of the time." According to Watson, he started taking the vehicle home around the "latter" part of 2018. Watson also said that he knew the vehicle was only to be used for City business and that his use of the vehicle to commute home and to complete personal errands was not appropriate.

Precisely quantifying the number of times Watson misused his City vehicle is not possible due to the broad admissions from Watson and a lack of GPS records for a majority of the relevant period. However, we do know that Watson admitted to misusing his City vehicle "a majority of the time" since the "latter" part of 2018. The latter part of 2018 until June 2019 is a range of 7 to 11 months in which Watson admits to misusing the vehicle. For the period when GPS records are available, which is less than 1 month of this range (22 days), Watson misused the City vehicle for 22 personal trips.

These acts appear to constitute violations of the following criteria:

- City Code §2-7-62 (J): Standards of Conduct;
- City Personnel Policies – I.G: Use of City Resources;
- City of Austin Administrative Bulletin - City Vehicle Assignment Policy 10-01; and
- City of Austin Administrative Bulletin – Limited or De Minimis Use of City Resources 98-01

Appendix A - Subject Response

Yamma, Michael

From: Watson, Gregory
Sent: Sunday, January 26, 2020 8:41 PM
To: Yamma, Michael
Subject: RE: Office of the City Auditor Draft Report

Hello, Mr. Yamma:

Having reviewed the updated and revised draft of the City Auditor's Office report, which you e-mailed to me on January 23, 2020, the following would be my formal response to it:

"My sincere apologies to the City for misusing the City's truck to make trips home and to run personal errands. That was improper, and it has not happened since June 2019, upon visiting with City Auditor's Office staff—nor shall it ever occur again in the future. Response dated January 26, 2020."

Thank you,

Gregory Watson

City of Austin
Planning and Zoning Department
Suite 575, One Texas Center
505 Barton Springs Road
Austin, TX 78704



Appendix B - Office of City Auditor's Response to Subject Response

We have reviewed the Subject's response. We believe our findings stand.

Appendix C - Management Response



CITY OF AUSTIN PLANNING AND ZONING DEPARTMENT

DATE: February 4, 2020

TO: Brian Molloy, Chief of Investigations
Office of the City Auditor

FROM: Clifton Franklin, HR Advisor Senior – Employee Relations
Development Services Department

SUBJECT: Investigation Report (IN19015)

Development Services Department (DSD) Human Resources along with Planning and Zoning Department (PAZ) Human Resources has reviewed the report on behalf of Interim Director Denise Lucas. Neither department has an objection to the findings. Gregory Watson's temporary employment appointment with the City of Austin ended effective January 30, 2020.

Investigation Criteria

Finding 1

City Code §2-7-62 – STANDARDS OF CONDUCT

(J) No City official or employee shall use City facilities, personnel, equipment or supplies for private purposes, except to the extent such are lawfully available to the public, or to the extent that facilities, equipment or supplies are allowed to be used in a limited or de minimis manner in accordance with City policy

City Personnel Policy – USE OF RESOURCES

(G) Employees are prohibited from using City facilities, equipment, supplies, employee time, or any other City resource for personal use, except to the extent that such resources are available to the public. City resources which may not be used by employees for personal use include, but are not limited to, the following: [...] vehicles, [...]. These resources are dedicated to City business, [...]

City of Austin Administrative Bulletin – CITY VEHICLE ASSIGNMENT POLICY 10-01

B. General Policy

The City wishes to restrict the number of city-owned vehicles which are assigned solely for the use of one employee or are being used by an employee to commute to and from work. Only those cases in which a clear economic benefit exists for the City or the necessity of an employee to respond to certain emergency situations involving public safety should be considered.

4. Use of a city vehicle is restricted to conducting city business. Personal use of a city vehicle is prohibited subject to the following considerations:

- a) Commuting is inherent to the functional assignment. Commuting is taxable as wages to the employee unless the vehicle or usage qualifies as excludable under IRS regulations. Employees will be taxed via the Commuting Valuation Rule or Automobile Lease Valuation rule as applicable.
- b) De-minimis personal use related to or not detrimental to city business. An example would include a meal break.

City of Austin Administrative Bulletin – LIMITED OR DE MINIMIS USE OF CITY RESOURCES 98-01

Employees may use City resources to the same extent the public is allowed. Employees may use certain City facilities, equipment, and supplies in a limited or de minimis manner for personal reasons and convenience. It is only permissible to use facilities, equipment, or supplies identified in City policies as available for personal use by employees. Limited or de minimis use means use of City facilities, time, equipment, or supplies that:

- Does not interfere with or impede the job performance or productivity of the City official or employee;
- Does not interfere with or impede the City's conduct of official business;
- Is not used for a personal benefit, as defined by City Code § 2-3-5;
- Is too small, minor or insignificant to have an economic impact; and
- Is used in accordance with the law, including the City Charter's prohibition on use of City resources for election campaigning.

Methodology

To accomplish our investigative objectives, we performed the following steps:

- reviewed applicable City code and policy;
- acquired and analyzed GPS data;
- reviewed additional documents related to the subject's use of the vehicle;
- interviewed City staff; and
- interviewed the subject.

CAIU Investigative Standards

Investigations by the Office of the City Auditor are considered non-audit projects under the Government Auditing Standards and are conducted in accordance with the ethics and general standards (Chapters 1-3), procedures recommended by the Association of Certified Fraud Examiners (ACFE), and the ACFE Fraud Examiner's Manual. Investigations conducted also adhere to the quality standards for investigations established by the Council of the Inspectors General on Integrity and Efficiency (CIGIE) and to City Code.

The Office of the City Auditor, per City Code, may conduct investigations into fraud, abuse, or illegality that may be occurring. If the City Auditor, through the Integrity Unit, finds that there is sufficient evidence to indicate that a material violation of a matter within the office's jurisdiction may have occurred, the City Auditor will issue an investigative report and provide a copy to the appropriate authority.

In order to ensure our report is fair, complete, and objective, we requested responses from both the subject and the Department Director on the results of this investigation. Please find attached these responses in Appendix A and C.

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The Office of the City Auditor was created by the Austin City Charter as an independent office reporting to City Council to help establish accountability and improve city services. We conduct investigations of allegations of fraud, waste, or abuse by City employees or contractors.

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