

Memorandum



CITY OF DALLAS
(Report No: I19-001)

DATE: January 23, 2019

TO: Honorable Mayor Michael S. Rawlings
Honorable Jennifer S. Gates, Chair – Government Performance & Financial Management Committee
Christopher J. Caso, Interim City Attorney

SUBJECT: Summary of Investigative Reports Closed in Fiscal Year 2018

This memorandum provides a brief overview of the results for three separate investigative reports closed during Fiscal Year 2018.¹ Specifically, these results include criminal investigations of allegations involving:

- Theft of cash by Dallas Public Library (Library) employee, Shameka Griffith, Customer Service Representative
- Criminal trespass by Building Services Department² (BSD) employees: Jeffrey Landsbaum, Alan Ramos, and Nicholas Smith
- Engaging in an organized criminal activity – theft of City of Dallas (City) property and tampering with a government record by various BSD employees³

Background

Council Resolution 90-4027 requires the Office of the City Auditor to report to the Mayor, [the Chair of the City Council Government Performance & Financial Management Committee], and the City Attorney any “*apparent violations of law or apparent instances of misfeasance or nonfeasance by a [City of Dallas (City)] officer or employee.*”

Investigations by the Office of the City Auditor are considered nonaudit services under the generally accepted Government Auditing Standards and are conducted in accordance with Quality Standards for Inspection and Evaluation established by the Council of the Inspectors General on Integrity and Efficiency, Association of Certified Fraud Examiners Code of Professional Ethics, and City Code.

Sources: Council Resolution 90-4027, Office of the City Auditor

For a detailed description of investigative actions and results please refer to Attachment I.

It should be noted that City management and a concerned employee initiated each of these investigations by proactively reporting to the Office of the City Auditor, the allegations listed above, involving employee(s) in their respective departments.

¹ For matters involving criminal activity by City of Dallas employees, the Office of the City Auditor takes steps to validate and corroborate information pertaining to the underlying criminal investigations before reporting a summary of the outcomes, resulting in a delay in the issuance of a report.

² The Building Services Department (BSD) was previously known as the Department of Equipment and Building Services.

³ The BSD employees responsible for theft include: Hector Botello, Jeffrey Landsbaum, Brian Mallett, and Arturo Molinar. The BSD employees responsible for tampering with a government record include: Hector Botello, Michael Golden, Jeffrey Landsbaum, Brian Mallett, and Arturo Molinar.

Corrective Actions Reported by City Management

In response to these investigative results, City management reported taking subsequent corrective actions as noted below.

Dallas Public Library – Theft

The Library implemented internal controls to reduce the number of Library staff who have:

- Access to Library buildings at all hours
- Access to the safe in each of the Library buildings

Building Services Department – Criminal Trespass

The BSD increased oversight of employee activities by:

- Creating and filling a dedicated Heating, Ventilation, and Air Conditioning (HVAC) Manager position to provide a more focused organizational structure for HVAC technicians and supervisors
- Enhancing daily activity logs to provide much more detailed information on each HVAC technician's specific work orders
- Implementing additional executive-level scrutiny of employee overtime by work unit
- Implementing additional review of work orders reported as complete, including random visits of work sites and updated checklists for various preventative maintenance activities
- Increasing management review and monitoring of employees' Global Positioning System data management

Building Services Department – Theft of City of Dallas Property and Tampering with a Government Record

The BSD Management supported ethics awareness and increased oversight over employee activities; and, implemented internal controls by:

- Disseminating throughout the department additional ethics awareness information with an emphasis on the consequences of unethical behavior
- Requiring management approval for orders of refrigerant
- Making management responsible for reviewing and submitting all new tool orders

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- Setting expectations for management to periodically review tool inventories and to require justification from employees for any discrepancies
- Requiring police reports be submitted for all tools reported as stolen

In addition, a new Enterprise Workorder and Asset Management System is scheduled for implementation in April of 2019 (according to the latest Department of Communication and Information Services schedule) to allow asset inventory data to be tied to work orders, and to aid management in identifying potential issues in the future.

If you have any questions or would like to be briefed regarding these matters, please contact Doug O'Rourke, Assistant City Auditor IV, at (214) 670-5265 or by email at douglas.orourke@dallascityhall.com; or me at (214) 670-4517 or by email at carol.smith@dallascityhall.com.

Sincerely,



Carol A. Smith, CPA, CIA, CFE, CFF
Interim City Auditor

C: Honorable Members of the City Council
T.C. Broadnax, City Manager
Joey Zapata, Assistant City Manager

**Detailed Descriptions of Three Investigations Closed in
Fiscal Year 2018**

In Fiscal Year (FY) 2018, the Office of the City Auditor closed three investigations, initiated in FY 2017, which involved allegations of the following criminal investigations:

- Theft of cash by Dallas Public Library employee, Shameka Griffith, Customer Service Representative
- Criminal trespass by Building Services Department⁴ (BSD) employees: Jeffrey Landsbaum, Alan Ramos, and Nicholas Smith
- Engaging in an organized criminal activity – theft of City of Dallas (City) property and tampering with a government record by various BSD employees⁵

For matters involving criminal activity by City employees, the Office of the City Auditor takes steps to validate and corroborate information pertaining to the underlying criminal investigations before reporting a summary of the outcomes, resulting in a delay in the issuance of a report.⁶

On the following pages, the results of these three investigative reports are discussed in full detail, including a comprehensive timeline of investigative and disciplinary actions.

Dallas Public Library – Theft

On June 30, 2017, Dallas Public Library Management reported to the Office of the City Auditor the potential theft of cash by employee Shameka Griffith, Customer Service Representative. On June 30, 2017, the Office of the City Auditor discussed this matter via telephone with the Dallas Police Department – Public Integrity Unit (DPD – PIU) to determine if they would conduct a criminal investigation of the allegation.

Dallas Public Library Management put Ms. Griffith on Administrative Leave on July 1, 2017. On July 3, 2017, the Office of the City Auditor formally referred this case to the DPD – PIU. Ms. Griffith’s employment with the City was terminated on August 26, 2017.

On April 30, 2018, the Office of the City Auditor received a memo from DPD – PIU reporting the criminal investigation was completed, and that there was sufficient evidence to substantiate that Ms. Griffith committed the criminal offense of Theft, a Class B Misdemeanor. In addition, the

⁴ The Building Services Department (BSD) was previously known as the Department of Equipment and Building Services.

⁵ The BSD employees responsible for theft include: Hector Botello, Jeffrey Landsbaum, Brian Mallett, and Arturo Molinar. The BSD employees responsible for tampering with a government record include: Hector Botello, Michael Golden, Jeffrey Landsbaum, Brian Mallett, and Arturo Molinar.

⁶ Note: The criminal activities of the BSD employees described in this report are known to the public, as they were previously reported in the press and discussed in a formal memorandum by the City Manager.

Summary of Investigative Reports Closed in Fiscal Year 2018

evidence obtained and reviewed in the Office of the City Auditor's administrative investigation is sufficient to support the finding that Ms. Griffith violated the City's Personnel Rules, specifically: dishonesty, disregard of public trust, and theft.

Building Services Department – Criminal Trespass

On March 9, 2017, BSD Management contacted the Department of Human Resources (HR) regarding the possibility that East District BSD employees⁷ had illegally entered a facility housing City equipment. The HR, sensing the possibility of criminal actions, immediately referred the matter to the Office of the City Auditor.

On March 23, 2017, the Office of the City Auditor interviewed the Manager of the BSD's West District, who provided information that increased the likelihood of possible criminal actions by the employees. After securing documentary and video evidence, the Office of the City Auditor then consulted with the DPD – PIU who agreed to undertake a criminal investigation of the matter. On May 1, 2017, the Office of the City Auditor formally referred this case to the DPD – PIU.

On November 30, 2017, Mr. Landsbaum, Mr. Ramos, and Mr. Smith were arrested for Criminal Trespass. Mr. Landsbaum's employment with the City was terminated on January 10, 2018. Mr. Ramos' employment with the City was terminated on December 23, 2017. Mr. Smith's employment with the City was terminated on December 30, 2017.

On March 13, 2018, the Office of the City Auditor received a memo from DPD – PIU reporting the criminal investigation was completed, and that there was sufficient evidence to determine Mr. Landsbaum, Mr. Ramos, and Mr. Smith did commit the criminal offense of Criminal Trespass, a Class B Misdemeanor. Further, the evidence obtained and reviewed in the Office of the City Auditor's administrative investigation is sufficient to support the finding that Mr. Landsbaum, Mr. Ramos, and Mr. Smith each violated the City's Personnel Rules, specifically: dishonesty and disregard of the public trust.

Building Services Department – Theft of City of Dallas Property and Tampering with a Government Record

On June 16, 2017, an employee of the BSD sent an email to the Office of the City Auditor regarding the possibility that BSD employees were involved in the theft of City property. The Office of the City Auditor had preliminary interviews with members of BSD management and supervisors. On June 26, 2017, the Office of the City Auditor formally referred this case to the DPD – PIU for criminal investigation.

On November 30, 2017, the DPD – PIU's criminal investigation of this matter resulted in the arrests of the following current (as of November 30, 2017) and former BSD employees: Hector Botello, Michael Golden, Jeffrey Landsbaum; Brian Mallett, and Arturo Molinar:

- Mr. Botello's employment with the City was terminated on August 17, 2017

⁷ The Office of the City Auditor later determined the East District BSD employees were Jeffrey Landsbaum, Alan Ramos, and Nicholas Smith.

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- Mr. Golden's employment with the City was terminated on December 27, 2017
- Mr. Landsbaum's employment with the City was terminated on January 10, 2018
- Mr. Mallett's employment with the City was terminated on August 10, 2017
- Mr. Molinar's employment with the City was terminated on August 10, 2017

On July 18, 2018, the Office of the City Auditor received a memo from DPD – PIU reporting the criminal investigation was completed and that there was sufficient evidence to determine:

- Mr. Botello, Mr. Landsbaum, Mr. Mallett, and Mr. Molinar did commit the criminal offense of Engaging in an Organized Criminal Activity – Theft, a Felony
- Mr. Botello, Mr. Golden, Mr. Landsbaum, Mr. Mallett, and Mr. Molinar did commit the criminal offense of Tampering with a Government Record, a State Jail Felony

The evidence obtained and reviewed in the Office of the City Auditor's administrative investigation is also sufficient to support the finding that Mr. Botello, Mr. Golden, Mr. Landsbaum, Mr. Mallett, and Mr. Molinar each violated the City's Personnel Rules, specifically: dishonesty, disregard of the public trust and theft.