



**JIM STRICKLAND  
MAYOR**

**EXECUTIVE DIVISION**

TENNESSEE

September 28, 2016

Mr. Michael W. Rallings, Director  
Police Services Division  
201 Poplar Avenue, Suite 1205  
Memphis, TN 38103

Dear Director Rallings:

Internal Audit received a whistleblower report on June 16, 2016 alleging that a Memphis Police Department (MPD) employee was utilizing the City’s computer to write a novel during the employee’s paid time at work. We initiated a special investigation with the primary objective of determining whether the employee misused City resources. The scope was limited to an evaluation of the employee’s computer activity. To accomplish our objective, we requested the assistance of Information Services (IS) to perform a review of the employee’s computer activity (web traffic). We also interviewed pertinent personnel and evaluated compliance with applicable City policies pertaining to computer usage.

**CONCLUSION**

We concluded that the employee misused the City’s computer on several occasions for activity unrelated to City business, which was a direct violation of City policy. Our conclusion is based upon the following:

**SUMMARY OF INVESTIGATION**

The web traffic review performed by IS revealed numerous visits to various social media (Facebook, Instagram, Periscope, etc.), personal email and other websites of a personal nature (i.e., PayPal, life coaching, etc.). Although we found evidence that some of the internet activity (web traffic) was for research related to the job, we determined that a vast majority could not be reasonably attributed to and was not beneficial to the City. The following table summarizes the web traffic review.

**Web Traffic Log Review**

IS REVIEW	DATE	INTERNET ACTIVITY START TIME	INTERNET ACTIVITY END TIME	TOTAL INTERNET TRANSACTIONS
1st Review	6/28/2016	9:35AM	4:22PM	236
	6/29/2016	8:54AM	11:21AM	140
2nd Review	7/21/2016	9:27AM	4:07PM	123
	7/22/2016	5:05PM	5:11PM	26
	7/24/2016	8:43AM	3:30PM	164
	7/25/2016	2:22PM	3:52PM	186
	7/26/2016	9:09AM	3:57PM	260
	7/27/2016	7:41AM	10:56AM	146
	7/28/2016	8:09AM	1:24PM	168
<b>TOTAL</b>				<b>1449</b>

*NOTE: Total Internet Transactions reflected in the table include transactions for City business as well as personal use.*

We did not find any written policies and procedures to outline the practices and principles to be followed in the performance of departmental activities. We also did not find any standards for measuring employee productivity. Therefore, we could not determine whether the personal computer usage adversely affected the employee's efficiency, work productivity or departmental efficiency. Further, City policy *PM 78-04, Use of the Internet...General Use of Personal Computers*, and MPD policy *Computer Equipment and Security* prohibits personal computer usage. As a result, the employee's internet activity was a violation of City and MPD policy.

We found no evidence of monitoring activity to include MPD management's assessment of the department to ensure internal controls are working, that all employees are following prescribed routines and to identify and resolve any workflow obstructions. However, during our investigation, MPD management conducted unannounced observations of all employee workstations to observe computer usage for a two week period and found no indication of personal usage for anyone. MPD management agreed to continue monitoring the employee's computer usage for the next three months to ensure proper computer usage and to admonish the employee for personal computer usage.

## RECOMMENDATIONS

We believe that adequate measures taken to address deficiencies noted herein should assist MPD management with establishing an effective internal control system in accordance with Tennessee Code Annotated, Section 9-18-102(a). Therefore, we recommend that MPD management establish written policies and procedures that outline the practices and principals to be followed in the performance of departmental activities. MPD management should also establish reasonable standards against which employee daily productivity can be measured. The policies, procedures and standards should be communicated to all employees.

MPD management should establish a process for monitoring departmental operations, including but not limited to evaluating internal controls (i.e., policies and procedures) to ensure they are working, observing employee activity to ensure prescribed routines are being followed, and identifying and resolving any workflow obstructions, questionable or unauthorized activity. Monitoring activity should be documented to show dates, activity reviewed, and monitoring results to provide evidence of monitoring. Additionally, the monitoring process should be documented as part of the written policies and procedures.

Finally, MPD management should contact Human Resources (HR) Department of Equity, Diversity and Inclusion regarding appropriate disciplinary action for the policy violation that resulted from the employee's personal computer usage.

The work performed in this investigation does not constitute an audit under Government Auditing Standards. We appreciate the cooperation of the management and staff of MPD, IS, HR and Law Divisions during our investigation. Please do not hesitate to call me at 636-6241 if you have any questions or need additional assistance.

Sincerely,



Debbie Banks, CFE, CICA, CMFO  
City Auditor



c: Jim Strickland, Mayor  
Doug McGowen, Chief Operating Officer  
Brian Collins, Chief Financial Officer  
Alexandria Smith, Chief Human Resources Officer  
Bruce McMullen, Chief Legal Officer  
Patrice Thomas, Deputy Chief Operating Officer  
Brent Nair, Chief Information Officer, Information Services Division  
Jill Madajczyk, Deputy Director, Human Resources  
Michael Fletcher, Deputy Director, Law Division  
Mike Ryall, Deputy Director, Police Services Division  
Rowena Adams, Deputy Chief, Administrative Services, Police Services Division  
Sharonda Hampton, Deputy Chief, Investigative Services, Police Services Division  
Kurt Philipps, Colonel, Commander, Investigative Services, Police Services Division  
Caroline Mason, Lt. Colonel, Assistant Commander, Investigative Services, Police Services Division  
Don Crowe, Lt. Colonel, Special Victims Unit, Police Services Division  
Chandell Carr, Manager, Equity, Diversity and Inclusion, Human Resources Division