



City Auditor's Office

Carlos Lee Holt

Date: March 27, 2019
To: Interim City Manager, Deborah Bowie
From: City Auditor, Carlos L. Holt
Subject: Case 2019 - 004

Source of Allegations

The City Auditor's Office received a complaint report through the *InTouch* Hotline on January 11, 2019, claiming an employee used his personal catering business for departmental events while on the city clock, and billed the City for his catering services. On February 19, 2019, the same complainant added an additional allegation that the employee used other city property (tables, chairs and ice) for his personal business.

Investigator Assigned

Qian Yuan, CIA, CISA (Investigator)
Carlos L. Holt, CPA, CFF, CIA, CFE, CGAP (Quality Assurance)

Purpose of Investigation

The purpose of this or any investigation is to determine the facts concerning allegations made by a complainant. For findings indicating possible fraud or other crimes, the matter would then be referred to the Gainesville Police Department (through the City Manager and in consultation with the City Attorney) or the State Attorney's Office. Findings of employee misconduct warranting possible corrective or disciplinary action would be forwarded to management, who is responsible for administering such actions. Findings of waste or lack of efficient or effective operations would also be referred to management.

Standards

We conducted the investigation and created the report using the standards of the Association of Certified Fraud Examiners (ACFE) as a guide. The quality assurance reviewer is a Certified Fraud Examiner (CFE).

Background

An anonymous complainant claimed that Timothy Bolliger, an employee of the Public Works Department, had a personal barbeque catering business and was being paid to cater several city events while on duty. The complainant also stated that Mr. Bolliger was shown favoritism from his supervisor by allowing him to use unlimited ice and borrow chairs and tables from the department for personal use. He also parked his personal vehicle inside the department's building for extended time, according to the complainant.

Summary and Outcome of Investigation

All allegations against Mr. Bolliger were **unsubstantiated**. Events catered by Mr. Bolliger were approved by department management and Mr. Bolliger was not paid for providing his equipment or cooking while on duty. No evidence was presented to prove that Mr. Bolliger used departmental ice and furniture for personal use. Mr. Bolliger was complimented by department management for his work performance, and no evidence was present to prove that he was shown any favoritism. Two indications were presented that Public Works should improve its monitoring control on credit card purchases regarding the delivery location.

Allegations, Facts, Analysis and Conclusions

Allegations

Allegations against Mr. Bolliger are:

- a) Mr. Bolliger was paid to cater city events using his side business while he was on duty. Specific events were:
 - a. Hurricane Matthew from October 7 to October 9, 2016
 - b. Hurricane Irma from September 8 to 14, 2017
 - c. Public Works award recognition on December 7, 2017
 - d. Retirement party for Karen St. Pierre on October 25, 2018
- b) Mr. Bolliger was shown favoritism by his supervisor, including allowing him to:
 - a. Get unlimited ice from department's ice machine for personal use;
 - b. Use department's chairs and tables on weekends (implying personal use);
 - c. Park his personal vehicle inside a department building.

Facts- (a)

Allegation (a): Mr. Bolliger was paid to cater city events using his side business while he was on duty

- 1) On January 14, 2019, the investigator requested confirmation from the complainant of the name of the employee being reported. Their reply later stated was that it was Bolliger instead of the initially reported Bollinger; and, the name of his side business was reported to be Smokin T's Stack, LLC.
- 2) On February 12, Mr. Bolliger stated that his side business was named Smokin T's BBQ Shack. He confirmed that he did bring in his equipment and cooked with a team of

colleagues for events such as hurricanes, retirements, and safety training luncheons. He stated that he was never paid for catering in addition to his regular wage, and those events were approved by senior management with the food being paid with the department's credit card.

- 3) Florida's *Sunbiz.org* shows Smokin T's BBQ Shack, LLC as an active business with Tim Bolliger listed as the manager with the initial filings dated October 15, 2013.
- 4) Records from *myfloridalicense.com* also show that he as annual inspection routine-food inspections for a mobile food unit with the most recent being October 11, 2018.
- 5) Mr. Bolliger filed required annual disclosure of personal business in accordance with *City's Policy on outside employment, business or volunteer activity*.
- 6) Neither Mr. Bolliger's name nor Smokin T's BBQ Shack were found in the City's vendor list (which would be necessary to receive checks as a vendor (excluding P-Card purchases).
- 7) Additionally, we searched vendor bank account information and no matches were found for that of Mr. Bolliger's.
- 8) In the City's accounting system, no payment other than payroll to Mr. Bolliger was found for the pay periods where the events listed in the allegation occurred.
- 9) The Director of Public Works confirmed that those events were approved and Mr. Bolliger was not paid additional funds for catering.
- 10) Two invoices from a food merchant were found with Smokin T's BBQ Shack as the billing and shipping address, and were paid with department's credit card. The cardholder testified that he accompanied Mr. Bolliger to the merchant, made the payment, and both came back together directly to the City compound where the cooking site for that event was to be held. The purpose of the purchase (retirement event) was on the invoice along with the cardholder's signature.
- 11) On March 12, Mr. Bolliger's supervisors confirmed that his catering service for the event was approved and he was not paid any additional amount.
- 12) On February 14, 2019, the Employee and Labor Relations Manager of the City's Human Resource Department opined on the specific situation and stated that no City policy was violated.
- 13) On February 18, 2019, the City's Risk Assessment opined on the specific situation and stated that no additional uncovered risks were presented.

Analysis (a)

During hurricanes, employees from Public Works and other departments were often asked to work long hours at locations where food was not have been available. Public Works utilized Mr. Bolliger's cooking equipment to provide hot food for employees as support for their work. The Director of Public Works stated that Mr. Bolliger also successfully completed his regular mission assignments during the events. City Policies also allow employees to participate in certain events such as a retirement celebrations where he also used his equipment without charge to the City.

Conclusion – Allegation (a)

The allegation that the Mr. Bolliger was paid to cater city events using his side business while he was on duty is **unsubstantiated**.

Facts- (b)

Allegation (b): Mr. Bolliger was shown favoritism by his supervisor

- 1) The Public Works Director stated that no off-duty employee has been authorized to use department's ice or departmental tables and chairs in many years.
- 2) The Public Works Director stated that when Mr. Bolliger's cooking equipment was used for approved events, his trailer was allowed to be parked inside Building B for several days, where the cook site was located for the event.
- 3) Mr. Bolliger's supervisor stated that she had not authorized anyone to use ice, chairs, and tables outside of everyday use at the facility.
- 4) A visual inspection revealed that the area where the ice machines and storage for tables and chairs are located have several cameras so that anyone who hauled chairs and tables out of the compound would be easily visible.
- 5) Mr. Bolliger stated that he has not obtained the department's ice for personal use and does not required it since he owns his own ice maker that is located in his garage. He also stated that due to the condition of the department's tables and chairs, he would not desire to use them in a business setting and therefore rents tables and chairs if he has occasion to need them.
- 6) Mr. Bolliger recalled one occasion in which he was called in to substitute for a sick employee but had no time to return home to unload some expensive tools so he requested to park his truck inside one of the buildings. He stated that he received the approval as requested (also confirmed by Mr. Bolliger's supervisor).
- 7) No specific evidence was provided by the complainant to show that Mr. Bolliger used departmental ice, tables, or chairs for his business.

Analysis (b)

All evidence and testimony from Public Works' employees, supervisors, and the director supported Mr. Bolliger's statements regarding the claimed use of departmental property for personal use.

Conclusion – Allegation (b)

The allegation that Mr. Bolliger was shown favoritism by his supervisor allowing him using departmental property is **unsubstantiated**.

Recommendation

Public Works should improve its credit card payment approval and review process to ensure billing and shipping addresses are those of the City, not a private non-city entity.

End of Report