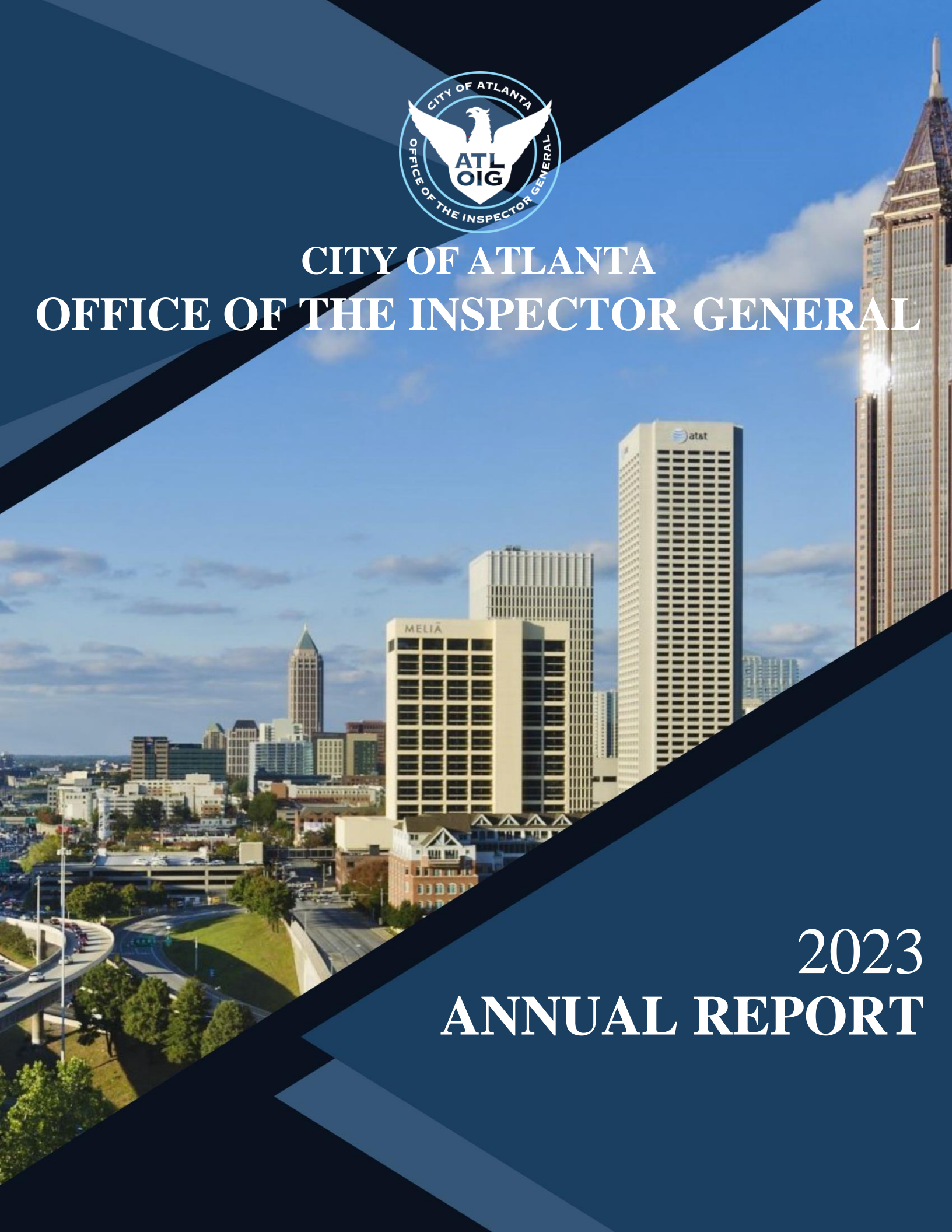




# CITY OF ATLANTA OFFICE OF THE INSPECTOR GENERAL



2023  
ANNUAL REPORT

# FROM THE INSPECTOR GENERAL



I am pleased to present the 2023 Annual Report of the City of Atlanta Office of the Inspector General (OIG). This report details the work and activities of the office in our third year of operation.

2023 brought a number of significant developments as we continued to build the office. In April, a charter revision pared OIG to the Compliance Division (Compliance) and the Independent Procurement Review Division (IPro). We sought and were granted additional reform to help fulfill our mandate—the establishment of a duty to cooperate with OIG and the codification of our commitment to investigate allegations of retaliation against those reporting misconduct to OIG—and outlined others that will be revisited in the future. In June, we introduced a logo and launched a public awareness campaign to communicate the office identity and function. In August, we re-engaged our anti-corruption program, providing live training to employees across several City departments, and we enhanced OIG’s internal infrastructure by standardizing many of our employee policies and procedures in the first installment of our office manual.

This year’s report showcases two new elements. First, this report details each of the policy and procedure recommendations (PPRs) issued by Compliance in 2023 and the City’s response to those recommendations. We issue PPRs when we uncover gaps and vulnerabilities in City laws, rules, and practices in the course of Compliance investigations. The PPRs issued in 2023 address topics ranging from public safety to fiscal controls to employee privacy. PPRs are a cornerstone of OIG’s efforts to prevent fraud, waste, abuse, and corruption in the City of Atlanta—if the City can address the issues identified, it can better curtail future problems. Accordingly, OIG monitors and espouses transparency surrounding City implementation of recommended measures. Second, this report supplements the performance indicators from IPro to more broadly reflect upon the division’s substantive findings and functional hurdles over the course of the year. Given the historical exploitation of the procurement process in the City (and procurement-based misconduct across governments generally), we are ardent in our efforts to identify and help mitigate procurement-related hazards and abuses. The observations in this report jumpstart our publication of such issues on a quarterly basis.

In 2023, as it has since its inception, OIG endeavored to inform stakeholders about the fundamental role it plays in City of Atlanta government for the benefit of its citizens. We hope that through our reviews, reports, and recommendations, we better the City and help collectively increase public trust and raise our standard of good governance.

A handwritten signature in blue ink that reads "Shannon K. Manigault". The signature is fluid and cursive.

Shannon K. Manigault  
Inspector General



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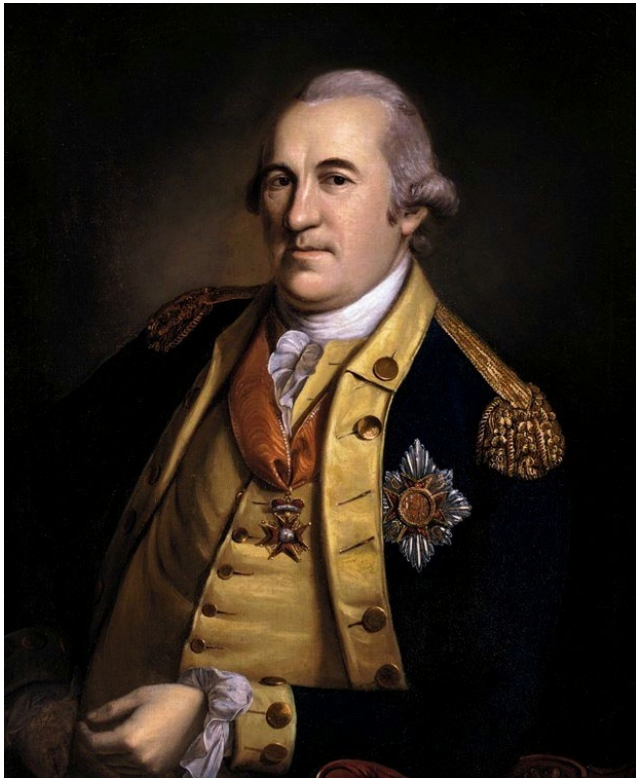
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# BACKGROUND

## OFFICES OF INSPECTOR GENERAL

Since the eighteenth century, inspectors general (IGs) in the United States have provided guidance regarding efficiency and effectiveness in government operations. Modern IGs—from those of federal agencies to those of major U.S. cities—prevent and detect fraud, waste, abuse, and mismanagement within their respective jurisdictions. As they conduct investigations, audits, inspections, and evaluations, these offices are guided by core principles, among them, independence, integrity, objectivity, professionalism, honesty, and fairness.



Baron Friedrich Wilhelm von Steuben is recognized as the first inspector general in the United States. In 1778, upon recommendation of General George Washington, Congress appointed von Steuben inspector general of the army, with the rank of major general, to “report all abuses, neglect, and deficiencies to the Commander-in-Chief.” Although army colonels resented the efforts of the inspector general, von Steuben’s “character, tact and genius” overcame this resistance, setting a precedent for the manner and behavior of future IGs. In his role, von Steuben observed administrative incompetence, graft, and war profiteering. Von Steuben instituted the keeping of exact records and strict inspections, saving the army critical resources.

Sources: West Point; Wikipedia

## CITY OF ATLANTA OFFICE OF THE INSPECTOR GENERAL

In 2019, in the wake of federal indictments and guilty pleas detailing municipal corruption, the City of Atlanta (the City) convened a group of civic leaders to evaluate the structure and systems of oversight in the City and to determine what might be done to combat government misconduct and help restore Atlanta’s trust in its government. The Task Force for the Promotion of Public Trust (Task Force) held a series of public hearings, which included testimony from City oversight offices, a national municipal integrity expert, and the IGs of Philadelphia and Baltimore. Ultimately, the Task Force issued a report with one primary recommendation: the City should form an office of inspector general, a “centralized and effective enforcement agency” “with the jurisdiction and power to identify and investigate fraud, waste, corruption, abuse, and misconduct” “that can hold all City officials and those doing business with the City, accountable.”

Accepting the Task Force’s recommendation, the City quickly moved to form the office. In February 2020, the City amended the Charter of the City of Atlanta to include a new article (Article 8), establishing the City of Atlanta Office of the Inspector General.

Article 8 of the City Charter outlines the broad jurisdiction of the office, including matters of fraud, waste, abuse, and corruption within City government entities by City employees, elected officials, vendors, and members of boards, authorities, commissions, etc. (BACE).

# ABOUT OIG

At its inception, OIG was comprised of three divisions: the Compliance Division (Compliance), the Independent Procurement Review Division (IPro), and the Ethics Division (Ethics). In April 2023, the Atlanta City Council (the Council) amended Article 8, removing Ethics from OIG and restoring it as the Ethics Office.

## COMPLIANCE DIVISION

Compliance works to identify and eliminate corruption, safeguard City resources, and enhance public trust in City government by espousing adherence to laws, rules, and regulations. Compliance investigates allegations of fraud, waste, abuse, and corruption; educates City employees, elected officials, board members, and staff regarding potential hazards; recommends measures to address vulnerabilities; and holds accountable those found to have engaged in misconduct.

## INDEPENDENT PROCUREMENT REVIEW DIVISION

IPro works to improve transparency and accountability in the City’s procurement process. IPro develops and executes detailed procedures and testing methods to identify areas of concern in City solicitations. The division reviews procurement records of all solicitations and cooperative purchasing with an aggregate value of \$1 million or more and provides its assessment to the City Department of Procurement (DOP), thus facilitating corrective action before the Council considers legislation to approve contracts. IPro is also authorized to conduct discretionary reviews of contracts of any value. Before OIG was established, the IPro unit functioned from 2019 to 2021 within the City Auditor’s Office.

## GOVERNING BOARD

To ensure the independence of OIG, under Article 8, OIG reports to the Governing Board of the Office of the Inspector General and the Ethics Office (the Governing Board). Among other duties, the Governing Board, which operates under its own bylaws, hears all appeals filed from adverse OIG decisions and all motions to quash OIG-issued subpoenas. The Governing Board consists of nine members with residency, employment, or business interests within the City, who are nominated by: Association of Certified Fraud Examiners, Atlanta Bar Association, Atlanta Business League, Atlanta Planning Advisory Board, Gate City Bar Association, Georgia Society of Certified Public Accountants, League of Women Voters of Atlanta-Fulton County, Metro Atlanta Chamber of Commerce, and Seven Major Universities.

### MISSION

To build public trust in the City of Atlanta government by engaging in prevention, investigation and review, and enforcement to eliminate fraud, waste, abuse, and corruption.

### VISION

To establish the City of Atlanta as a national standard for good governance through oversight and collaboration.

### VALUES

Integrity	Competence	Forthrightness
Objectivity	Courage	Public Accountability
Independence	Trust	Respect
Confidentiality	Honesty	
Professionalism	Fairness	

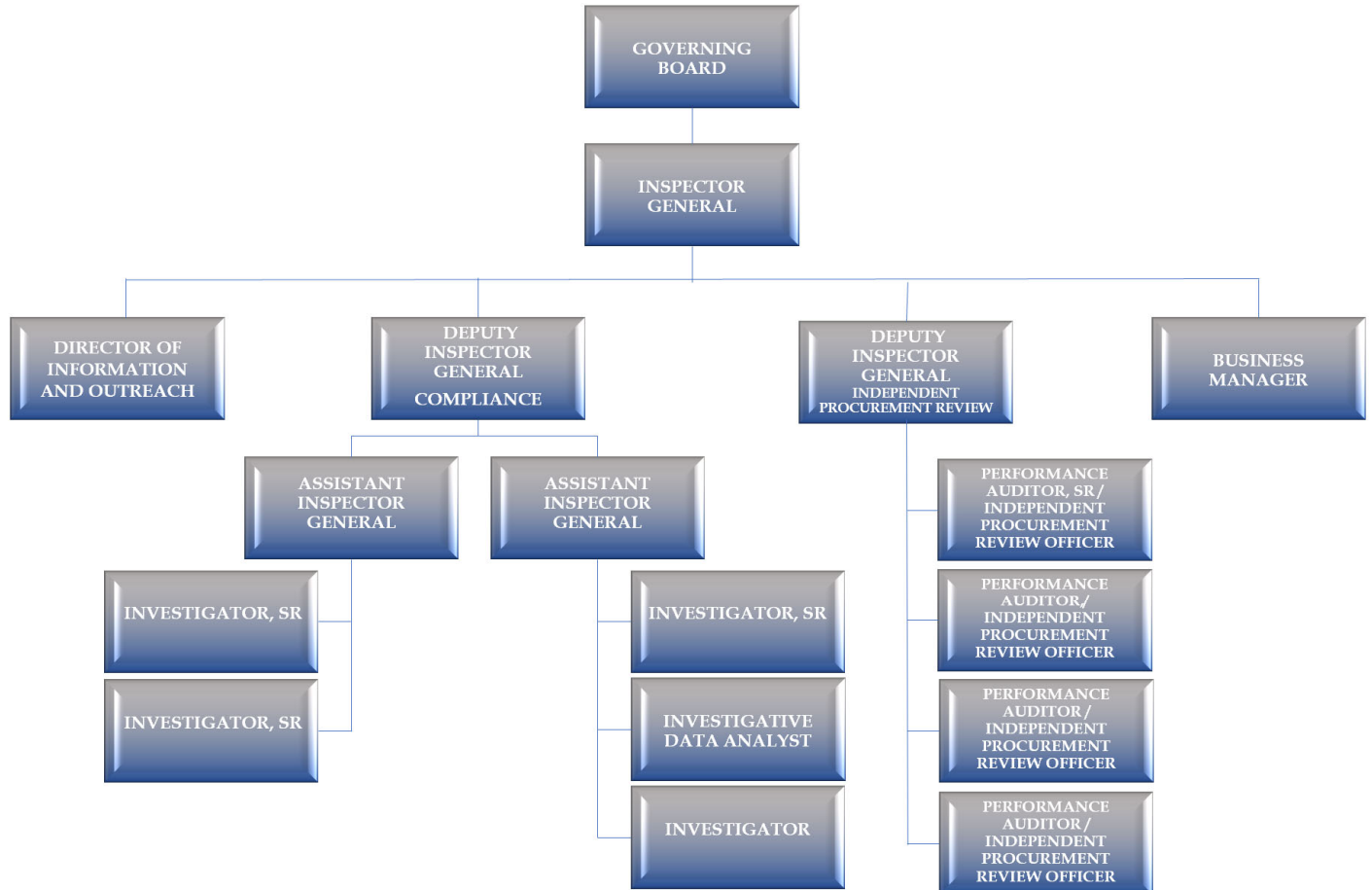


## ABOUT OIG

### PROFESSIONAL STAFF

OIG is comprised of a team of investigators, auditors, attorneys, and other professionals with undergraduate and graduate degrees in diverse disciplines and working experience with law enforcement, regulatory and oversight bodies, and the military.

Collectively, OIG staff possesses the education, experience, training, and certifications to effectively engage, review, investigate, and assess operations of the City of Atlanta.



### CERTIFICATIONS

The Association of Inspectors General (AIG), a professional, nonprofit organization that supports and advances the professionalism and integrity of IG offices, offers rigorous programs on core competencies within the field that, upon successful completion and examination, offer the credentials of Certified Inspector General (CIG), Certified Inspector General Auditor (CIGA), Certified Inspector General Inspector/Evaluator (CIGE), and Certified Inspector General Investigator (CIGI).

### CORE COMPETENCIES

**CIG:** Context of the inspector general function; ethics; legal issues; office management issues; investigating fraud, waste, and abuse; and audits, inspections, and reviews

**CIGA:** The audit process; professional standards for conducting audits; ethics; internal controls; data analytics and IT auditing; peer review process; identifying and reporting audit accomplishments; fraud risk management; and statistical sampling

**CIGE:** Professional standards for conducting inspections/evaluations; inspection/evaluation process; types of inspections/evaluations; evidence collection, analysis, and documentation; ethics and IG inspections/evaluations; working with investigators and auditors; peer review process

**CIGI:** The investigative process; professional standards for conducting investigations; ethics in investigations; legal issues; procurement fraud and computer crime; investigative techniques; and working with auditors

## ABOUT OIG

OIG employees participate in the AIG certification courses once they meet the eligibility requirements (which have included, among other qualifications, varying years of experience functioning in the current office of inspector general and/or performing work in other government offices). In 2023, AIG offered its Inspector General Institute certification programs in March in Jacksonville and in August in Chicago. Between the two institutes, two OIG staff members completed the curriculum, passed the examination, and attained the accreditation of CIGE; and one OIG staff member completed the curriculum, passed the examination, and attained the accreditation of CIGI.

In addition, this year, one OIG staff member earned the Certified Fraud Examiner credential—a certification gained through a four-part examination covering more than 2,000 pages of content regarding the detection and prevention of fraud.

## OIG AT A GLANCE

### Budget & Personnel

FY24 Budget	\$2.07 million
Employees (FTE)	16
Vacancies as of 12/31/23	2
Vacancy Rate as of 12/31/23	12.5%
Positions Filled in CY23	5 (backfill)

### Scope of Responsibility

City FY24 Budget	\$2.53 billion
City Departments	27
City Vendors	2,108
BACE	130
City Employees	9,926



# OUTREACH AND EDUCATION

In 2023, with the benefit of dedicated in-house resources, the OIG Director of Information and Outreach, and a public marketing firm, OIG focused its efforts on increasing awareness of the office and better informing City stakeholders of its function. Outreach and education are critical to the function of OIG, particularly for Compliance, whose investigations rely heavily on witnesses to report misconduct. By increasing general awareness of the office and informing stakeholders of our function and, when and how to identify and report potential violations, OIG will receive more information that will help in our efforts to reduce fraud, waste, misconduct, and corruption. To advance these goals, OIG executed multiple strategies in its outreach and education plan.

## LOGO AND BRAND AWARENESS

OIG worked with the marketing firm to develop a logo for the office by creating an easily identifiable visual image and symbol. In creating OIG’s iconography, OIG sought to adapt the imagery of the City of Atlanta’s Resurgens logo, by incorporating the classic symbol of the phoenix into a distinct and independent image in line with its office.



## OIG WEBSITE

In December 2023, OIG debuted a redesigned website that incorporates the new OIG branding and provides more information on who OIG is and what the office does.

The website adds direct links to report instances of fraud, waste, abuse, and corruption.



## PROFESSIONAL ENGAGEMENT

OIG continued to broaden the platform by which it informs and engages with City of Atlanta stakeholders and others by collaborating with professional organizations.

The Inspector General and the Director of Information and Outreach presented during several symposiums and seminars this year.

Events included:

- Association of Inspectors General Annual Training Conference
- Virtual Fraud Symposium
- Atlanta Chapter of the Association of Government Accountants Webinar
- Georgia Society of Certified Public Accountants Fraud and Accounting Task Force Annual Conference
- Georgia Chapter of Certified Fraud Examiners Monthly Meeting
- Delaware Coalition for Open Government Annual Meeting
- Inspector General Colloquium
- NPU University Year of the Youth Program





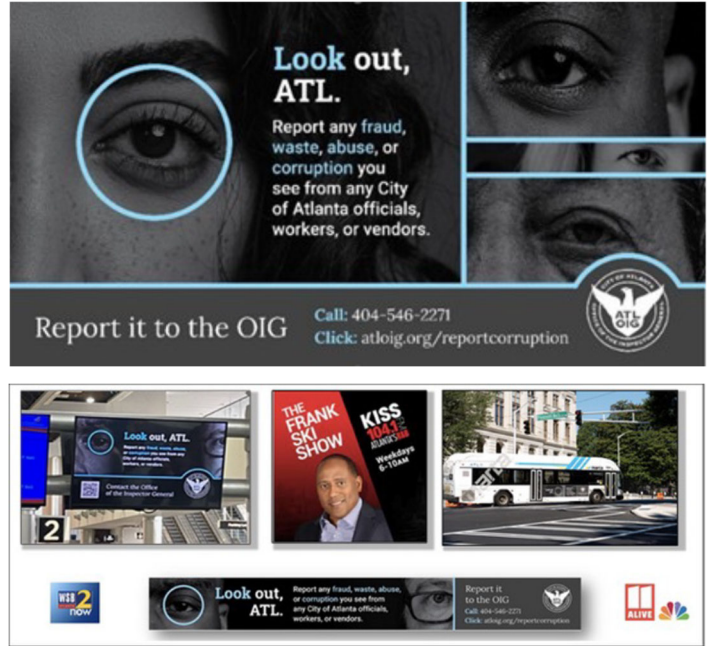
## OUTREACH AND EDUCATION

### PUBLIC AWARENESS CAMPAIGN

To encourage City of Atlanta residents, employees, contractors, and others to report instances of fraud, waste, abuse, and corruption, OIG launched its multi-faceted campaign, ‘Eyes on ATL.’

The campaign’s rollout included:

- Radio announcements during the Frank Ski morning show
- Social media placement and mentions
- Digital campaigns spanning 11Alive.com and WSBTV.com
- Transit Ad placements on MARTA buses
- Campaign placements throughout the Hartsfield–Jackson Atlanta International Airport



### CITY OF ATLANTA - CHANNEL 26

OIG enjoyed continued collaboration with Channel 26—which airs City news, events, and programs 24 hours a day, seven days a week—increasing OIG’s presence from the 2022 ‘This is Your City’ campaign, to OIG’s ‘Eyes on ATL’ campaign imagery that began rotating on the channel in July 2023.

OIG worked with Channel 26 to produce a one-minute public service announcement video which also runs regularly on the channel.



## OUTREACH AND EDUCATION

### ENGAGEMENT WITH NEWS MEDIA

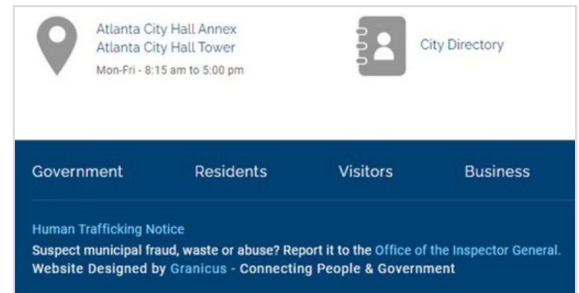
During 2023, OIG engaged with news media to publicly communicate to City of Atlanta stakeholders its noteworthy findings and recommendations.

Media engagement helps build public awareness of the office and the importance of OIG’s role in upholding standards of integrity in City of Atlanta government. Through its media outreach, OIG seeks to emphasize the critical role members of the public play in reporting instances of fraud, waste, abuse, and corruption.



### ATLANTAGA.GOV

In our continued effort to drive awareness of avenues to report misconduct, OIG built upon the “Report Waste, Fraud, Abuse, or Corruption” feature in the “I Want to” header of the [atlantaga.gov](http://atlantaga.gov) homepage. OIG coordinated with the Mayor’s Office of Communication to establish a pinned link to report to OIG on the footer of every page throughout [atlantaga.gov](http://atlantaga.gov).



### ANTI-CORRUPTION TRAINING

Compliance restored its anti-corruption training program and held in-person sessions with Atlanta Information Management, the Department of City Planning, and the Department of Public Works, as well as with leadership of Atlanta Police Department and the Department of Watershed Management.

During each session, OIG informs employees of the purpose of OIG, the shared mission of upholding the integrity of City operations, common issues of municipal misconduct, how to avoid corruption vulnerabilities, and ways to report fraud, waste, abuse, and corruption.

OIG develops scenarios specific to each department and invites participation from employees to explore potential pitfalls more fully.



Anti-Corruption Trainings	17
City Departments	5
City Employees	562

# INTERNAL RESOURCES

## GOVERNANCE

In 2023, OIG formalized much of its guidance to staff into a working policy and procedure manual. To credibly perform its function for the City, OIG must adhere to its own rules and regulations. While the formalization process is ongoing as the office develops, OIG is committed to ensuring that its staff adheres to the highest professional standards.

## CASE MANAGEMENT SYSTEM

Since initiating its first investigation, Compliance has maintained its case information in a manual system and its individual case documentation on a shared portal. A specialized online case management system will allow the division to maintain all of its investigative data, from intake to case closure, on one comprehensive platform. IPro will also reap the benefits of a consolidated management system. Significantly, particularly for purposes of an annual report, the case management system will facilitate the efficient production of case statistics and performance metrics. After two years, OIG has completed its navigation of the procurement process and the vendor was selected in December.

# CITYWIDE TRAINING

In addition to anti-corruption training, Compliance has identified hiring as an area of concern for which the office proposes to conduct training this year.<sup>1</sup> All City departments engage in the hiring process to meet their operational needs. Compliance has received complaints spanning multiple City departments raising questions about hiring processes, from lack of qualifications, which is suggestive of waste and inefficiency, to the extent the City is paying individuals to provide services they are unqualified to provide and others must provide coverage; to favoritism and nepotism, which is suggestive of abuse, to the extent hiring managers use their positions to cede jobs to select candidates over (allegedly more qualified)

others; to bribery/kickbacks, which poses criminality, to the extent individuals are allegedly hired with the expectation that they will, once in place, provide favor to the hiring manager in gratitude.

In this citywide training, employees would be informed about the rules and underlying principles governing City hiring. By implementing this training, the City would increase the likelihood of employee compliance with existing hiring policies and procedures, and, accordingly, increase the likelihood the City hires the most capable and qualified candidates.

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<sup>1</sup>Atlanta City Charter §8-106(c) requires the Compliance Division to annually report its “determination of area(s) of greatest concern on which the Inspector General proposes to conduct training during the calendar year of the report for approval by the council.”



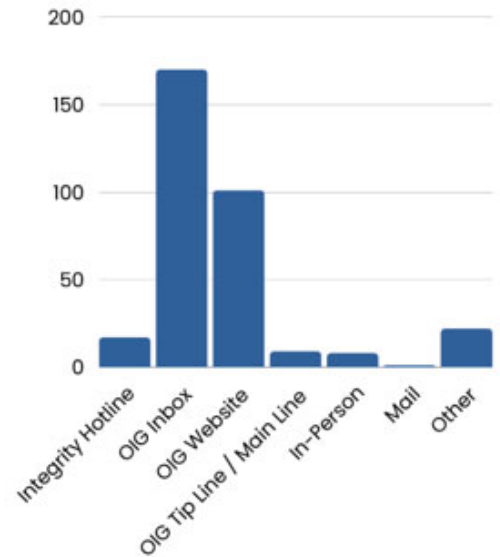
# COMPLIANCE DIVISION INDICATORS

## INTAKE

OIG received 328 intakes in 2023. The majority of these complaints were emailed to the OIG Inbox ([inspectorgeneral@atlantaga.gov](mailto:inspectorgeneral@atlantaga.gov)) and submitted through the online complaint system on the OIG website, ([atloig.org](http://atloig.org)). The Other category includes referrals from other government offices and direct outreach to Compliance staff.

In determining whether to open an investigation into issues raised in a complaint, Compliance evaluates the allegation to determine if it falls within the jurisdiction of OIG, both in subject matter and relevant party; whether sufficient information is provided to pursue the matter; the scope, significance, and/or severity of the alleged conduct; and whether the division has sufficient resources to complete an investigation.

Upon conducting this evaluation, a complaint will typically receive one of three dispositions: the division will open the matter for investigation; the division will refer the matter to another City department or outside agency with appropriate jurisdiction for investigation or relevant followup (an External Referral); or the division will file the matter for intelligence, cataloging those complaints outside of OIG jurisdiction and allowing future investigation if the division receives additional actionable information and/or resources. (Note that a large volume of complaints received that are filed for intelligence do not involve fraud, waste, abuse, corruption, and/or City government).



Opened for Investigation	65
Filed for Intelligence	216
External Referral	47
<b>TOTAL</b>	<b>328</b>

## INVESTIGATIONS

Compliance conducts investigations of fraud, waste, abuse, and corruption into City programs, operations, contracts, employees, elected and appointed officials, and vendors. Compliance may initiate an investigation in response to a complaint, upon receiving a referral, or on its own initiative based on an identified or observed issue or risk area susceptible for fraud, waste, abuse, and/or corruption. OIG acts as a factfinder, obtaining evidence, identifying elements of alleged offenses, and applying evidence to each element as it determines whether an allegation is substantiated or unsubstantiated.

## OPEN CASES

As of December 31, Compliance had 74 open investigations involving a range of subjects and types of alleged fraud, waste, abuse, or corruption.

## CLOSED CASES

In 2023, Compliance closed 20 investigations involving a range of subjects and types of alleged fraud, waste, abuse, and/or corruption from bribery to safety/security to fiscal controls.

OIG utilizes a preponderance of the evidence standard, assessing whether it is more than likely than not that the alleged misconduct occurred, in its determination of whether an allegation is substantiated or unsubstantiated.

Substantiated	9
Partially Substantiated	3.5*
Unsubstantiated	7.5*

\* In one case, OIG partially substantiated one allegation and unsubstantiated another.

## SUBSTANTIATED CASE OUTCOMES

Compliance works to identify and eliminate corruption, safeguard City resources, and enhance public trust in City government by espousing adherence to laws, rules, and regulations. Compliance investigates allegations of fraud, waste, abuse, and corruption; educates City employees, elected officials, board members, and staff regarding potential hazards; recommends measures to address vulnerabilities; and holds accountable those found to have engaged in misconduct.

When Compliance substantiates an allegation—that is, when the division finds the alleged conduct more likely than not occurred—it refers its findings to relevant parties. If Compliance finds individual misconduct of a City employee or a City vendor, it will refer the findings of the investigation to the relevant department head or applicable City leader for whatever action that office deems appropriate. If the investigation reveals one or more corruption vulnerabilities or other gaps in controls, Compliance will suggest policy and procedure recommendations (PPRs) to the relevant department head or City leader to shore up such gaps. If Compliance finds criminal misconduct, it will make a criminal referral to

the relevant prosecutor. (Depending on the nature of the criminal activity, the referral would be directed to a district attorney’s office, office of attorney general, or U.S. attorney’s office.) Compliance might also recommend to the City and/or work with relevant prosecutors to pursue monetary restitution where investigation findings indicate the City has improperly lost funds.

Administrative Referrals	19
PPRs	35
Criminal Referrals	1
Savings Identified	\$579,709
Recovered	\$1,407

With regard to PPRs, it should be noted that the City has failed to respond to the majority of recommendations issued. That is, departments and offices have not indicated whether they have accepted or rejected the PPRs or whether they have taken steps to implement the recommended reform.

## COMPLIANCE DIVISION INDICATORS

### CLOSED CASE DETAILS

#### C2021-0001

Compliance received an allegation that employees within the Department of Public Works (DPW) Solid Waste Disposal Landfill Division (Landfill Division) were engaged in several acts of misconduct such as time theft, overtime fraud, and a kickback scheme with a vendor. During its investigation, OIG identified several incidents of Landfill Division employees engaged in misconduct and found lapses in oversight and

supervision in Landfill Division operations. OIG referred its findings to DPW and recommended that DPW implement changes to better monitor Landfill Division activities. OIG conducted a review into a reference letter submitted by a city employee to another municipality on behalf of a vendor. While the review yielded no misconduct, OIG recommended the City implement measures to mitigate risks and discourage potential misconduct.

Dept	Date Issued	Recommendation	Acceptance Status	Explanation (Rejection)	Implementation Status	Date Implemented
COA <sup>1</sup>	1-11-2023	Implement a citywide policy for vendor references that establishes: a comprehensive review process to identify vendor activity across City departments; a structure to direct vendor reference requests to the appropriate parties for completion; policies to safeguard the authenticity and legitimacy of City vendor reference letters; and uniform evaluation criteria, with standardized descriptive terminology, to produce all vendor reference letters	Accepted		Pending	Pending
DPW	10-20-2023	Evaluate the Solid Waste Landfill Division's time clock procedures	Pending		Pending	Pending
DPW	10-20-2023	Review with its supervisors the City's policies regarding overtime allocation	Pending		Pending	Pending
DPW	10-20-2023	Install a biometric scan for the Solid Waste Landfill Division for time entry	Pending		Pending	Pending
DPW	10-20-2023	Restore the video surveillance system at Hartsfield Yard if it has not already been re-established	Pending		Pending	Pending
DPW	10-20-2023	Replace the video surveillance system at Hartsfield Yard to a cloud-based operational system so that the information stored is more readily available for review and less susceptible to employee sabotage	Pending		Pending	Pending
DPW	10-20-2023	Restrict the users authorized to operate the vehicle scale application at Hartsfield Yard and/or issue each employee an individual login username	Pending		Pending	Pending
DPW	10-20-2023	Ensure that DPW supervisors provide oversight of vehicle scale operations at Hartsfield Yard	Pending		Pending	Pending
DPW	10-20-2023	Review vehicle scale operations to determine the cause of—and then remedy—the inaccurate time entry data on tickets issued at Hartsfield Yard	Pending		Pending	Pending
DPW	10-20-2023	Require Landfill Division supervisors to document the justifications, tasks performed, and hours worked for overtime issued to Landfill Division staff	Pending		Pending	Pending
DPW	10-20-2023	Monitor the issuance of overtime hours to Landfill Division staff to ensure that overtime hours are distributed equitably	Pending		Pending	Pending
DPW	10-20-2023	Review applicable federal, state, and city laws regarding the use of heavy machinery with its staff to ensure that only authorized parties operate heavy machinery	Pending		Pending	Pending
DPW	10-20-2023	Provide oversight to ensure that City solid waste collection employees are accurately reporting their collection routes to DPW	Pending		Pending	Pending

<sup>2</sup>COA=City of Atlanta



## COMPLIANCE DIVISION INDICATORS

### C2021-0019

In the course of an investigation involving alleged falsification and theft of City time, Compliance received an allegation that a Department of Parks and Recreation (Parks) employee was unfit to perform his duties as a lifeguard. During interviews with Parks personnel, the employee was alleged to have mobility issues and an inability to sit in the required lifeguard platform chair which impaired his ability to monitor pool activities.

According to information gathered from Parks, the Department of Human Resources (DHR), and the American Red Cross, after a series of extensions of the employee's lifeguard certification, the employee completed the requirements for certification for Shallow Water Lifeguarding. Parks reported that it was pursuing a fit-for-duty determination because the depth of the employee's assigned pool, Rosel Fann Recreation Pool, exceeded his new certification.

### C2021-0020

Compliance received a complaint alleging a City employee, who served as a DOP contract specialist, was simultaneously working for Fulton County Purchasing Department as an assistant purchasing agent and had falsified information, by possibly concealing a criminal record involving theft, on the City employment application.

The employee pre-employment background check identified a discrepancy with the education verification. The information provided by the employee stated she graduated from a school with a bachelor's degree in Business Administration in July 2011; the employee background screening showed the employee enrolled in that school from August 2009 until July 2011 but never completed a degree. The employee file contained no explanation regarding the education discrepancy. The employee began working for the City on October 23, 2017. According to the employee file provided by the Fulton County Chief Procurement Officer (FCCPO), the employee was hired by Fulton County as an assistant purchasing agent on August 4, 2021, and was terminated on August 30, 2021 after having been found to have falsified information on County documents. According to the FCCPO, the employee's criminal history showed illegal purchasing card activity. OIG searched the

employee's City employment file and found no secondary employment form on record. City of Atlanta Code of Ordinances (Atlanta Code) prohibits outside employment without having first filed a written request for permission from the employee's department head. The employee was terminated from the City on October 12, 2021.

### C2021-0023

Compliance received an allegation that DPW requested excess funds from the Council to finance waste management services provided by a contract vendor. OIG found that, although there were insufficient funds to cover payments to the vendor before the contract's expiration, the funds requested exceeded the amount DPW needed. OIG also found that DPW made representations to the Council about the nature of the funds requested that were misleading. The request for additional funding received multiple layers of City approval before it was presented to the Council. OIG referred its findings to DPW.

### C2022-0006

Compliance initiated an investigation into potential misconduct by a former Department of Transportation (DOT) deputy commissioner after the employee was mentioned by federal prosecutors during a criminal trial as a person who accepted money in exchange for steering contracts. The OIG investigation did not uncover any correspondence that appeared in furtherance of the alleged misconduct or suggested other improprieties.

### C2022-0007

Compliance initiated an investigation into potential misconduct by a former DPW employee after the employee was identified during testimony in a criminal trial as a participant in an alleged bribery scheme with a city contractor. The OIG investigation did not uncover any correspondence or financial records that appeared to suggest inappropriate interactions with or payments from a city contractor, vendor, or other prohibited source.

## COMPLIANCE DIVISION INDICATORS

### C2022-0008

As part of a review of City disbursements in connection with a separate investigation, Compliance discovered payments from the City to the United Way of Metropolitan Atlanta (now known as the United Way of Greater Atlanta (UWGA)) that were identified as compensation for a former City employee's salary, taxes, benefits, and indirect costs from August 2016 through December 2017. OIG discovered that the employee was a former director of the Office of Human Services. While the employee's personnel records stated that she had resigned from city employment in July 2016, other City documentation indicated that the employee served as a loaned executive to UWGA.

OIG determined that (1) based on a number of records, the employee was not on loan to UWGA; (2) payments to UWGA appeared to constitute improper disbursements in violation of the Gratuities Clause of the Georgia Constitution and the Atlanta Code; (3) the absence of documentation formalizing the employee transfer arrangement impaired the ability to check the accuracy of invoices to the City; (4) seemingly falsified records retroactively reclassifying details of the employee's employment appeared in the employee's personnel file; and (5) personnel issues would have made the employee an unlikely candidate for an executive loan program. OIG identified \$136,038 that the City should not have paid UWGA.

Because the applicable statute of limitations had run on potential offenses and the involved parties had separated from City employment, OIG issued no referral and took no further action.

### C2022-0009

Compliance received a complaint regarding access to the Supervisory Control and Data Acquisition/Distributed Control Systems (SCADA/DCS) workstations at the Utoy Creek Water Reclamation Center. The complainant expressed security concerns regarding logging in and out of the SCADA/DCS workstations, noting that when allowed access to these workstations, vendors, contractors, or visitors could control the pumps and equipment. The complainant informed OIG that a security sign-in system was created to ensure employees were signing in and out as instructed, nonetheless employees had been failing to comply with instructions.

OIG learned that system operating interfaces were slated to receive upgrades that would include a timeout mechanism that would automatically lock the SCADA/DCS systems after a period of inactivity. The update would reflect operator-specific environments and would only be accessible by entering a password after selecting the operator's name or position.

### C2022-0023

Compliance received a complaint that alleged an unlicensed massage parlor operated within the city from 2019 to 2022. OIG initiated a search of all investigative files and case related information within the Compliance Division. The search found no information related to this complaint. OIG will file this matter for intelligence and will re-open this inquiry if additional information is received. Based on the above, no further action is warranted at this time, and this matter is considered closed.

## COMPLIANCE DIVISION INDICATORS

### C2022-0024

Compliance received a complaint from a former DPW employee alleging he was forced into retirement by DPW management. During the investigation, OIG became aware that prior to retirement, in 2021, the employee filed a complaint with the Office of Labor and Employee Relations (OLER) alleging issues in working conditions and misconduct by several DPW co-workers. Although OIG did not find evidence to substantiate the employee’s allegations that he was harassed into retiring, OIG found evidence suggesting

that some of DPW’s proposed measures against the employee may have been made in retaliation for his allegations to OLER and that employees within the DHR and OLER, as well as DPW, may have planned actions against the employee that could be viewed as retaliatory. In addition, OIG discovered that DPW repeatedly violated the employee’s medical privacy by distributing his medical records internally and externally. OIG referred the matter to DHR/OLER and DPW and made recommendations to address these findings.

Dept	Date Issued	Recommendation	Acceptance Status	Explanation (Rejection)	Implementation Status	Date Implemented
DHR (OLER)	10-20-2023	Review its case referral protocols to ensure that all complainants’ allegations, including those not under OLER’s purview, are addressed by the appropriate investigative body	Pending		Pending	Pending
DHR (OLER)	10-20-2023	Review its protocols for communications with the complainant’s agencies and supervisors during an investigation so as not to expose complainants to retaliation and/or harassment at the workplace	Pending		Pending	Pending
DHR (OLER)	10-20-2023	Review official (city, state, and federal) guidelines for assisting employees with disabilities and/or health conditions	Pending		Pending	Pending
DHR OLER	10-20-2023	Develop cooperative investigatory procedures for cases with shared jurisdiction	Pending		Pending	Pending
DHR	10-20-2023	Review with its staff city, state, and federal guidelines regarding employee medical privacy and the confidentiality requirements of employee medical documents including medical questionnaires and communications from medical facilities	Pending		Pending	Pending



## COMPLIANCE DIVISION INDICATORS

### C2022-0027

Compliance received a complaint that a DPW employee was involved in a collision while operating a City vehicle and was not issued a drug or alcohol test until several days after the collision as part of a “cover-up” by DPW management.

While OIG found no evidence to substantiate the allegation that the employee was issued a delayed drug test as part of a cover-up, in the course of its investigation, OIG determined that the employee was administered a post-accident drug and alcohol test that was noncompliant with City drug and alcohol testing protocols.

OIG also identified inconsistencies and conflicts among

City policies governing vehicle use and drug and alcohol testing, and the City of Atlanta Code. Specifically, Atlanta Code and the Vehicle Use Policy (VUP) require the City to recoup funds from City employees. OIG found that the City did not and, as a matter of practice, does not seek reimbursement from employees for costs to repair vehicles damaged as a result of City employee negligence.

OIG identified \$324,074 in unreimbursed damages caused by preventable accidents. OIG referred its findings and issued policy and procedure recommendations to the Chief Operating Officer (COO), DPW, DHR, Office of Enterprise Risk Management (ERM), and the Department of Law (DOL).

Dept	Date Issued	Recommendation	Acceptance Status	Explanation (Rejection)	Implementation Status	Date Implemented
DPW	7-31-2023	Remove or revise the use of preventability as a criterion for issuing drug and alcohol tests, as per Section 25 of the VUP so that it complies with Atlanta Code	Pending		Pending	Pending
DPW	7-31-2023	Remove or revise the preventability framework from Section 29 of the VUP so that it complies with the progressive discipline requirements of Atlanta Code	Pending		Pending	Pending
DPW	7-31-2023	Remove or revise the point system framework described in Section 14 and Appendix C of the VUP so that it complies with Atlanta Code	Pending		Pending	Pending
DPW	7-31-2023	Revise the reimbursement language from Section 27 of the VUP to comply Atlanta Code	Pending		Pending	Pending
DPW	7-31-2023	Revise its Safety SPO so that it complies with the VUP and Atlanta Code	Pending		Pending	Pending
DPW	7-31-2023	Include in the VUP a set timeframe that a drug or alcohol test must be performed after an accident	Pending		Pending	Pending
DPW	7-31-2023	Follow the United States Department of Transportation regulations regarding the administration of drug and alcohol tests	Pending		Pending	Pending
DHR	7-31-2023	Take measures to ensure that City Departments comply with the discipline policies established by Atlanta Code	Pending		Pending	Pending
DHR	7-31-2023	Remove or revise Section 7.6 of the City of Atlanta Drug and Alcohol Policy so that it complies with Atlanta Code	Pending		Pending	Pending
ERM	7-31-2023	Communicate with all City departments the VUP guidelines regarding entering accident information into Origami	Accepted		Implemented	11-25-2023
DHR DPW ERM DOL	7-31-2023	Ensure all additional sections of the VUP, Drug and Alcohol Policy, and any other relevant policies currently implemented pertaining to post-accident discipline and procedures comply with Atlanta Code	Pending		Pending	Pending

## COMPLIANCE DIVISION INDICATORS

### C2022-0032

Compliance received an allegation from a former Department of Watershed Management (DWM or Watershed) employee that he was being retaliated against by DWM management for, among other things, voicing concerns about the operability of DWM Office of Safety, Security, and Emergency Management (OSSEM) surveillance cameras. Although OIG did not find sufficient evidence to substantiate the retaliation claim, OIG found that a significant percentage of OSSEM surveillance cameras are inoperable. OIG recommended an intermediate staffing measure to maintain the security of the City’s critical infrastructure.

During the investigation, OIG also discovered that DHR placed complainant on administrative leave outside the parameters established by the Atlanta Code and did not document employment actions in his personnel file. OIG found falsified information in the employee’s personnel files and the deletion of the employee’s records. A DHR employee provided statements to OIG during its investigation that were determined to be false. OIG referred the procedural and misconduct findings to DHR and recommended that DHR ensure compliance with the Atlanta Code requirements surrounding administrative leave.

Dept	Date Issued	Recommendation	Acceptance Status	Explanation (Rejection)	Implementation Status	Date Implemented
DHR	12-8-2023	Ensure that City of Atlanta departments are compliant with Atlanta Code regarding the requirements for placing an employee on administrative leave	Pending		Pending	Pending
DWM (OSSEM)	12-8-2023	Consider employing/securing an information technology professional to perform maintenance on CCTV cameras until the CCTV upgrades take effect	Pending		Pending	Pending

### C2022-0033

Compliance received a complaint that alleged an unlicensed massage parlor operated within the city from 2019 to 2022. A search of all investigative files and case-related information within the division revealed no information related to this complaint. OIG filed the matter for intelligence and will re-open the inquiry if additional information is received.

### C2022-0034

Compliance conducted a review of the 2022 Annual City of Atlanta Employee’s Giving Campaign (the 2022 Campaign), which was managed by UWGA, a private nonprofit organization. The review revealed issues concerning the implementation and administration of the 2022 Campaign, including the use of the selected third-party to administer the program; the use of City letterhead

and resources without prior formal identification of the 2022 Campaign as official city business; the dissemination of City employee information; and the potentially coercive nature of the solicitation tactics. OIG referred its findings to the Mayor’s Office with recommendations to execute future campaigns in a manner that ensures compliance with City laws.

Dept	Date Issued	Recommendation	Acceptance Status	Explanation (Rejection)	Implementation Status	Date Implemented
COO	7-26-2023	Utilize the City’s Friendship Club to manage the City’s annual employee fundraising campaign as required by Atlanta Code	Pending		Pending	Pending
COO	7-26-2023	Monitor future City of Atlanta employee giving campaigns to ensure that no City resources are used on private non-city related activities	Pending		Pending	Pending

## COMPLIANCE DIVISION INDICATORS

### C2022-0042

Compliance received a referral from IPro regarding a finding that a former City employee who had worked on a DWM project before leaving City service appeared before the City several weeks later on behalf of a vendor on the same project. OIG confirmed the former employee's appearance before the City. While OIG did not find evidence of criminal misconduct surrounding the former employee's employment with the vendor and participation in the project, OIG found that he had knowledge of the estimated costs and the total available funding for the project to which his new company submitted a bid 50% higher than estimated costs but within the remaining balance for the project. OIG referred its findings to DWM.

### C2022-0045

Compliance received a complaint alleging that a housing nonprofit had, without proper permitting, constructed multi-family residential homes, including duplexes and triplexes, on lots restricted by ordinance for construction of single-family residential homes.

Through interviews and a review of permit, inspection, and court records, OIG determined that the Department of City Planning (DCP) conducted an inspection and discovered discrepancies in the nonprofit's site plans indicating that the nonprofit was not in compliance with City zoning ordinances, and that DCP took corrective action to ensure the nonprofit's compliance with such laws.

### C2022-0046

Compliance received a referral from IPro stating that in the course of its review of a solicitation, IPro observed that a DOP contract specialist used private email from a Gmail account associated with a restaurant to send information regarding the solicitation to her City account.

Based on an interview with the employee and a review of email, records, and City policies, OIG confirmed the employee's use of a personal email account. OIG also learned that the employee used an open wi-fi network at a restaurant when corresponding regarding the solicitation and stored City data regarding the solicitation on personal devices—a restaurant-owned laptop and a personal iPad. The employee's communication of City-related correspondence and information via personal email account and via open wi-fi network violated the City's Electronic Usage Policy, Acceptable Use of Assets Policy, and Data Handling Policy. OIG referred its findings to DOP.

### C2023-0005

Compliance initiated an investigation after it discovered, in the course of an unrelated investigation, a payment from the City to a hotel for \$120,653 with a note written in its description that City procurement policy had not been followed and that the hotel's services were rendered to the City without a purchase order. The note requested that the payment be processed, despite its noncompliance with procurement policy, as a "professional courtesy" for Mayor Andre Dickens' 2022 Senior Ball (the 2022 Senior Ball). The investigation revealed purchasing practices in violation of City procurement and accounts payable policies by the Office of the Mayor and Executive Offices, and in connection with the 2022 Senior Ball.

The hotel expenditure of \$120,653 was not allowed as it violated Atlanta Code and City policies. OIG referred the findings to the Ethics Office regarding potential violations of the Code of Ethics, and to the Office of the Mayor and Office of Constituent Services. In response to the findings, the City recovered \$1,056.38 in hotel charges.

## COMPLIANCE DIVISION INDICATORS

### C2023-0012

Compliance received a complaint from a company owner alleging that his company had not been properly compensated for a delivery of 43 cases of pre-packaged coffee to the airport. The complainant alleged that he was owed \$2,458.24. The complainant states that he was shifted from one individual to another over the course of six months while he attempted to receive payment for the delivery of goods.

During interviews with OIG, Department of Aviation (DOA) employees advised that DOA had requested documentation from the complainant evidencing the request, proof of delivery, and receipt of goods, but that it had not received what it needed from the company owner to process the invoice. Upon OIG followup, the complainant stated that he was told by his counsel not to provide anything additional to OIG or the City. Based on the review of the information and absent additional information from the complainant, the matter was closed as unsubstantiated.

### C2023-0031

Compliance received an anonymous complaint alleging that a substance the complainant stated was crack cocaine was found at a DOT facility. An employee was alleged to have told witnesses not to communicate what it was and that she would inform DOT supervisors. Observing that no actions were taken and the incident was not mentioned again, the complainant surmised that either the employee kept the substance or informed the supervisors and they did not take further action.

After initiating its investigation, OIG learned that DHR, in conjunction with DOT, had investigated the allegations. None of six employees interviewed in the DHR/DOT investigation were aware of the incident or had seen the alleged substance. Accordingly, OIG closed its investigation as unsubstantiated.

### C2023-0038

Compliance conducted a proactive review of July 2023 small purchase payments made by the City in light of a change to purchasing rules and the heightened risks that attend such (less-regulated) transactions. During the review, OIG discovered that an employee within ERM of the Department of Finance (Finance), received an employee expense reimbursement for a previously reimbursed March 2021 receipt.

Based on an interview with the employee, and a review of

ERM expense reimbursement requests and Finance codes and policies, OIG determined that the employee improperly submitted an expense reimbursement request to Finance for a previously reimbursed receipt for \$350.50. The employee stated that she submitted the receipt twice by mistake; OIG noted that it was the only such instance of duplicate submissions and noted the significant gap in time between her submissions. OIG referred the matter to ERM with a recommendation regarding its reimbursement policies. In response to the findings, the City recovered \$350.50 charges.

Dept	Date Issued	Recommendation	Acceptance Status	Explanation (Rejection)	Implementation Status	Date Implemented
ERM	11-15-2023	Implement policies or rules limiting the amount of time after purchases that ERM will accept expense reimbursement requests	Accepted		Pending	(Anticipated 3-30-2024)



# INDEPENDENT PROCUREMENT REVIEW DIVISION INDICATORS

Article 8 requires IPro to generate reports for the Council as it considers procurement legislation. IPro reviews assess the completeness of procurement files and any perceived deficiencies in the procurement process; IPro reports chronicle the findings or observations of the reviews. Article 8 mandates that IPro provide to the Council reports on all City solicitations and cooperative purchases with an aggregate value of \$1 million or more. Article 8 grants IPro the discretion to conduct additional reviews of solicitations of any value.

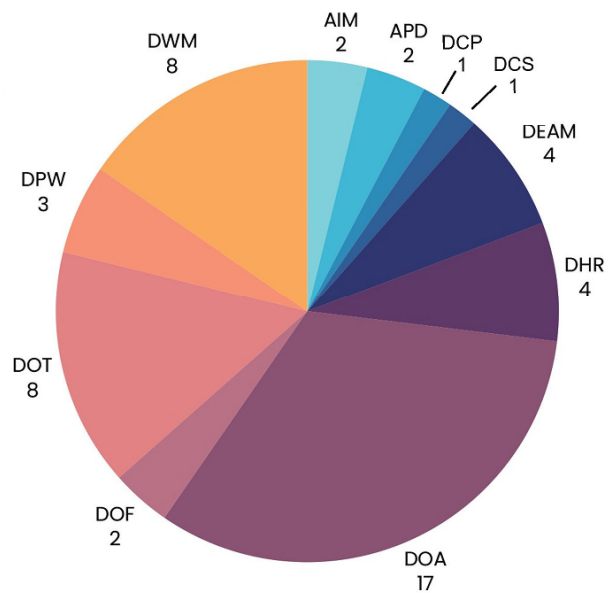
## SOLICITATION REVIEW REPORTS

In 2023, IPro published 52 reports. Aviation accounted for most of the reports with 17, followed by Transportation and Watershed Management with 8 reports each. The estimated value of the report solicitations was nearly \$1.79 billion. Aviation accounted for over 47% of this with approximately \$849 million; Human Resources followed with nearly 34% of this with over \$600 million.

Total Value	\$1,787,327,291
Total Findings	232
Total Submittals	148

Requests for Proposals (RFPs)—competitive solicitations that are evaluated based on a variety of factors such as price, understanding of scope and objectives, and expertise—accounted for 19 of the reports and approximately \$1.1 billion; Invitations for Bids (IFBs)—competitive solicitations that include definitive scopes of work and are typically awarded to the lowest responsible bidder—accounted for 23 of the reports and approximately \$560 million. Alternative procurements—limited competition solicitations used in unique or special circumstances and requiring fewer steps in the procurement process than RFPs and IFBs—accounted for 10 reports and approximately \$127.4 million.

AIM	Information Management
APD	Police
DCP	City Planning
DCS	Customer Service
DEAM	Enterprise Asset Management
DHR	Human Resources
DOA	Aviation
DOF	Finance
DOT	Transportation
DPW	Public Works
DWM	Watershed Management



## OBSERVATIONS

There were 232 total observations—notations of file incompleteness or perceived deficiencies—in the 52 reports; all reports contained observations. There were 133 observations in the 47 reports from 2022; there were no observations for eight of these.

IPro found limited competition, as indicated by instances where there were two or fewer submittals, in 39 of its 52 procurement reviews. Limited competition decreases the likelihood that the City gets the best value for its procured goods and services. Of these 39 procurements, eight were alternative procurements. Overall, the average number of submissions per project dropped from approximately 3.4 (160 submittals and 47 procurements) in 2022 to approximately 2.8 in 2023 (148 submittals and 52 procurements), nearly a 20% decrease in overall participation.

All evaluators of City solicitations are required to submit ethics forms that detail their obligations and affirm their willingness to comply with ethical guidelines in the course of the procurement. IPro made observations regarding evaluator ethics forms for nine projects. IPro seeks to determine whether those scoring projects are approved, documented, and in compliance with ethical requirements; accordingly, IPro notes when evaluator ethics and associated forms, such as sign-in sheets for scoring sessions, are not present. IPro identified instances of pasting of information onto forms that had already been completed by an evaluator, which means that the evaluators may not be affirming to comply with the rules on that project. DOP changed its process to no longer require evaluators for IFBs, which are determined by price and the ability to perform the scope of work. It is unclear how the ability to perform work will be assessed without evaluators.

Bid spread was another area of multiple observations. A bid spread is the difference between the highest and lowest bids for projects. When a bid spread exceeds 20%, it is an indication of risk since costs for similar goods or services should be comparably influenced by current market rates. IPro identified seven solicitations where the differences ranged from approximately 21% to

83%. This could indicate collusion or defective pricing in the submittals.

As part of the procurement process, vendors must submit financial information to help inform the City's determination whether they can satisfy obligations under a contract. For 14 projects, IPro observed missing or incomplete financial submission documents. These observations included missing information detailing historical financial capability and notifications of past lawsuits and liens. In 2023, DOP altered its financial requirements from requesting that vendors provide financial statements for review to requesting that vendors provide letters attesting that they are financially able to satisfy obligations. In one project, a proposed awardee was allowed to submit reference letters after the proposal deadline to satisfy the requirement. There is inherent risk in vendor self-disclosure as highlighted in a recent case of a developer embellishing its experience and financing in a local metro county this year. The developer failed to deliver services, and the county sought to recover money it had paid.

Addenda are documents that memorialize changes in the requirements of the procurement or may be administrative. This could include changes or clarifications issued after the initial solicitation, including answering questions, extending due dates, modifying or adding required forms, and revising project scopes and costs. The issuance of multiple addenda could be an indication of contract steering or lack of clarity in the initial solicitation document and user agency needs. This year, IPro noted issues with addenda for 18 procurements. Of these, 14 had three or more addenda. Items noted in addenda were answering up to 258 questions, which could be an indication of unclear scope. Others revised exhibits, extended due dates, and changed minimum qualifications.

Of the ten alternative procurements, six lacked approved requisitions to identify available funding. Without approved funding identified, the City could be at financial risk when entering agreements. The largest of these alternative procurements exceeded \$109 million in value.

## SOLICITATION CANCELLATIONS

IPro was notified or otherwise identified 33 cancellations in 2023. On some occasions, DOP cancelled solicitations and changed project numbers. On other occasions, DOP assigned a new project number, but no cancellation was processed. The new solicitation numbers would contain later project initiation dates within them.

Watershed accounted for approximately 42% of the cancellations with 14, and Aviation accounted for approximately 24% with eight cancellations. The minimum estimated value of these solicitations totaled nearly \$800 million. Watershed accounted for more than 29% of this with \$233.6 million, and Aviation accounted for approximately 25% with approximately \$200 million.

The stated reasons for cancellations included inconsistent bidder information, complexity of scope, change in solicitation number, and ineffective cost. No responses or lack of participation were cited as reasons for 16 cancellations; promotion of competition and solicitation irregularities were cited in cases where observations warranted referral to Compliance for investigation. The best interest of the city or no reason were given for four cancellations. In one instance a cancellation was rescinded, and the solicitation awarded. There was no support provided in the contract file indicating the department requested the cancellation be rescinded; there was also no evidence of how the awardee was selected.

DEAM Enterprise Asset Management  
 DHR Human Resources  
 DOA Aviation  
 DOF Finance  
 DOT Transportation  
 DPR Parks and Recreation  
 DPW Public Works  
 DWM Watershed Management

Dept	Cancellations	%	Value	%
DEAM	3	9.09%	\$29,600,000	3.70%
DHR	1	3.03%	\$163,348,609	20.44%
DOA	8	24.24%	\$199,424,939	24.95%
DOF	2	6.06%	\$2,900,000	0.36%
DOT	1	3.03%	\$10,142,974	1.27%
DPR	3	9.09%	\$156,100,000	19.53%
DPW	1	3.03%	\$4,000,000	0.50%
DWM	14	42.42%	\$233,626,658	29.23%
Totals	33	100.00%	\$799,143,181	100.00%

## CHALLENGES

By design, IPro reviews run concurrently with a solicitation. When a new project appears to meet the threshold for mandatory IPro review, DOP contacts IPro, IPro assigns an officer, and the officer then conducts the review in lockstep with the solicitation. IPro works closely with DOP, meeting each week to discuss the progress of projects and to identify any missing or needed documentation. These meetings are critical to prioritizing reviews: when IPro receives notice that a matter is slated to be discussed at the Council, it works to ensure that its review is completed so that councilmembers can have the benefit of the review findings as it considers procurement legislation. IPro endeavors to provide its complete reports, which include responses from DOP, to the Council in time for the reports to be made available with committee agendas in advance of meetings. Because IPro reports are required before the Council can approve legislation (for procurements valued at \$1 million or greater), legislation must be held when IPro reports are not completed at the time legislation is discussed. While IPro is sensitive to the operational needs of the departments and makes every effort to complete its reviews in time for committee meetings, the timing of report completion is often dictated by factors outside of IPro control (e.g., delays in providing documentation; premature legislation submissions (those before awardees are selected); delays in DOP responses; etc.). IPro accommodates urgent needs as much as possible, but ultimately has a duty to maintain its review standards as it performs its charter mandate.

IPro faced a number of challenges this year, both in the conducting of its reviews and in the consideration of its reports.

In March, there was one instance where IPro submitted a report to the Council after a committee meeting had commenced in order to accommodate a project the City deemed urgent. Given the timing and lack of opportunity for councilmembers to review the report and consider its findings, IPro provided the report with the agreement from DOP that the user agency would request that the legislation would be moved on condition to provide councilmembers the opportunity to review the report. In its presentation to the committee, the user agency requested no condition and

the legislation was passed. The report that councilmembers had no opportunity to consider included a number of substantive observations: for an IFB (which is traditionally awarded to the lowest bidder), the non-lowest bidder was selected as the awardee; the bid spread exceeded 30%; the proposed awardee used contingency fees when submitting disadvantaged business participation to help them achieve the goal (contingency fees address cost overruns, not business participation); and there was no letter approving evaluators in the contract file. This project was later cancelled.

Also in March, DOP contacted IPro for an urgent project and stated the report needed to be completed in one week. DOP had not previously notified IPro about the project, so no concurrent IPro review was underway. In light of the stated urgency, IPro prioritized the project and expedited its review. In the course of its review, IPro determined that the user agency sent its procurement request to DOP months before in December of the prior year. IPro conducted the review and communicated several observations, including that the procurement file lacked competitive quotes, a statement of work, and an approved requisition. The anticipated cost of the project was more than \$109 million. Additionally, the proposed awardee met with members of the user agency prior to meeting with a councilmember in November. Later the proposed awardee stated it could work with two councilmembers to sponsor legislation for its anticipated award. It also stated it had contacted City “Legal” and “Purchasing” to remind them of the pricing deadline. During the presentation of the legislation, the user agency expressed urgency, citing public safety concerns and cost savings while promoting the product. Neither councilmembers nor the user agency addressed the issues in the IPro report.

In April, a project that was undergoing IPro review—reflecting that the project was at one point anticipated to be valued at \$1 million or more—was legislated for \$100,000 for the remainder of the year. Because the legislation described a contract value of only \$100,000, it did not appear to the Council to require an IPro report and it passed without an IPro report being attached. Five months later, legislation was introduced to amend the initial



## INDEPENDENT PROCUREMENT REVIEW DIVISION INDICATORS

\$100,000 agreement to add \$2.67 million. IPro does not typically conduct reviews on amendments. However, under its discretionary authority, and considering the work already performed on a project that had been identified as requiring an IPro report, IPro provided a report for the amendment legislation. The cost structuring of this project raises concerns that it was designed to evade IPro review.

In May, a committee meeting was held where there were five IPro reports on the agenda. On the fourth piece of legislation with an IPro report, a committee member asked Council staff why he could not open the reports. It was communicated there was a system issue. The committee proceeded to pass that piece of legislation as well as the next, despite the fact that they could not access, and accordingly consider, the contents of the reports. The reports cited issues including a bid spread of more than 80% for paving services.

In October, IPro became aware of a special procurement where an initial agreement executed in June was for a one-year term to end June 2024 for approximately \$99,000. At that value, the agreement received no IPro review, but also did not require Council legislation. In November, the user agency sought to amend the contract and add \$955,380 for a five-year term beginning in 2024, making the total contract value more \$1 million. IPro conducted a discretionary review and issued a report that highlighted the cost structuring of the project. Neither councilmembers nor the user agency addressed the issues in the IPro report.

Also in October, the CPO communicated a high priority solicitation at the airport where services needed to be secured prior to the end of the year to avoid a coverage lapse. IPro conducted the review and noted this was the fourth time the project had been solicited. IPro noted issues in the current solicitation that included a deviation from the scoring established in DOP's procedures, communication with the proposed awardee and a non-awardee during the blackout period, and attendance of a non-approved individual at the scoring session who had submitted a reference letter for the proposed awardee.

During the committee meeting where the legislation was to be presented, the incumbent, which was not recommended for award, raised concerns during public comment regarding the qualifications of the proposed awardee in light of the project's small business enterprise goals as established by the Office of Contract Compliance (OCC). The incumbent said it was planning to file a protest. When it came time to consider this legislation, the committee entered executive session, which is not open to the public. The Open Meetings Act exempts consultation with legal counsel regarding potential litigation from public discussion. User agency management later relayed to OIG that the contents of the IPro report were discussed. After the executive session during discussion of the legislation, the committee chair asked the director of OCC if the IPro report gave the "green light" to pass the legislation. The director stated it did. It did not; pursuant to the charter, IPro does not opine on any solicitation. IPro identifies and presents areas of risk. The IPro report for this project raised nine areas of risk. The legislation was passed out of committee to full Council. Ultimately, the legislation was filed and the solicitation was cancelled.

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The examples outlined above highlight the challenges IPro has faced this year as it seeks to fulfill its charter mandate and protect the City. To address these challenges in 2024, OIG intends to increase its communication and collaboration with stakeholders regarding the responsibility of the division, the risks to the City posed by the issues uncovered by IPro reviews, and the shared role played to ensure the integrity of the City's procurement process.



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