



# ANNUAL REPORT 2021

Office of the Inspector General  
School District of Philadelphia

Jayme Naberezny  
Inspector General

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# OUR MISSION

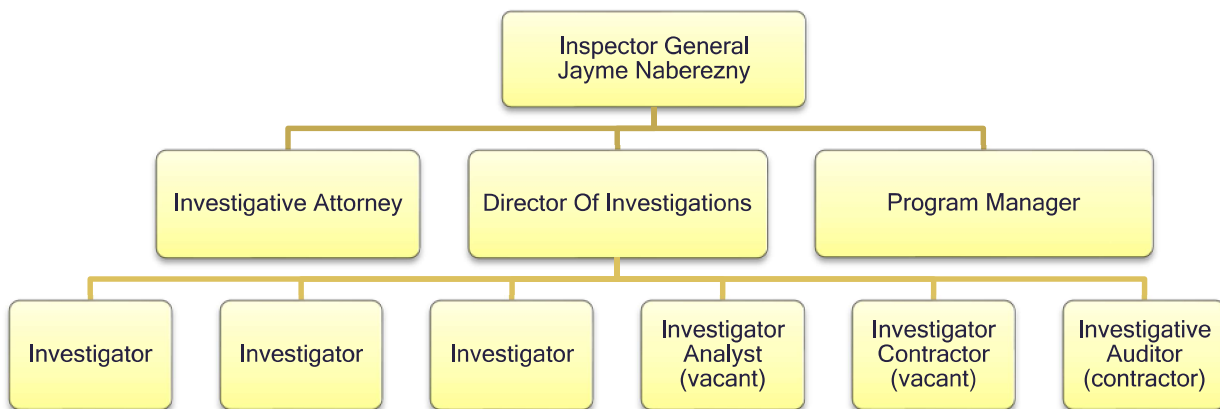
The mission of the Office of the Inspector General (OIG) is to promote a culture of accountability, transparency, and integrity to bolster public confidence in the School District of Philadelphia by rooting out corruption, fraud, misconduct, waste, and mismanagement. As a watchdog ensuring oversight of taxpayer money, the OIG operates as an independent office, conducting administrative investigations, comprehensive reviews, and audits into the operation, administration, and efficiency of all District policies, processes, and departments, including any entity that transacts or conducts business with the District. The OIG performs audits and investigative services designed to drive continuous improvement, support effective decision-making, and detect and deter fraud, waste, and abuse.



## OUR OFFICE

The Office of Inspector General employs seven full-time employees. In addition to the Inspector General and Director of Investigations, there are three full-time investigators, an investigative attorney, and a program manager. The OIG also contracts with a forensic auditor. Currently, the OIG seeks to hire an investigative analyst and hopes to add an additional full-time investigator position in the coming year.

All employees of the OIG are members of the Association of Inspectors General (AIG), a national organization of state, local and federal inspectors general and their staffs. Every member of the investigative staff holds an advanced educational degree. Among the other certifications that our staff holds are Certified Inspector General, Certified Inspector General Investigator, Certified Public Accountant, Certified Fraud Examiner, Certified Global Management Accountant, Certified Internal Auditor, members of the Pennsylvania Bar, New Jersey Bar, District of New Jersey, Eastern District of Pennsylvania, Third Circuit Court of the United States, and the Supreme Court of the United States.



Office of the Inspector General  
Organization Chart FY 2021

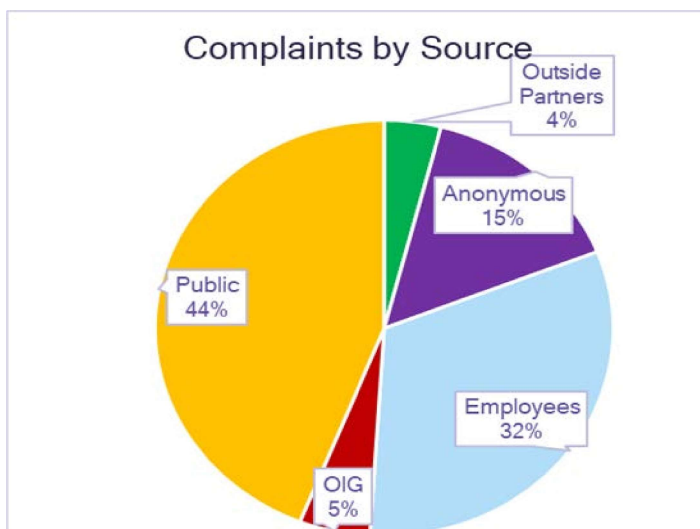
## OUR WORK PROCESS

Most OIG cases start with complaints that are then assigned to investigators, who conduct background research, interview witnesses, and review documents to determine whether any policies, regulations, or laws have been broken. Where a violation has occurred, the OIG releases Reports of Investigation to the Board of Education, internal partners, and publicly, recommending corrective and disciplinary action. When systemic problems are identified, the OIG issues policy and procedure recommendations to suggest changes to processes or procedures that improve District efficiency and safeguard taxpayer dollars. We also work closely with law enforcement agencies when criminal violations are suspected.

In 2021, the OIG received 97 complaints and commenced 14 investigations. The OIG also self-initiated two reviews that were conducted throughout 2021. The OIG made 26 policy and procedural recommendations, issued nine investigative reports, one administrative memo, and one recommendation letter.

### Complaints: Calendar Year 2021

Referred to other Departments	26
Open Complaints	17
Retained, Open Preliminary Investigation by OIG	14
Cases	14
Closed Complaints	26
<b>Total</b>	<b>97</b>



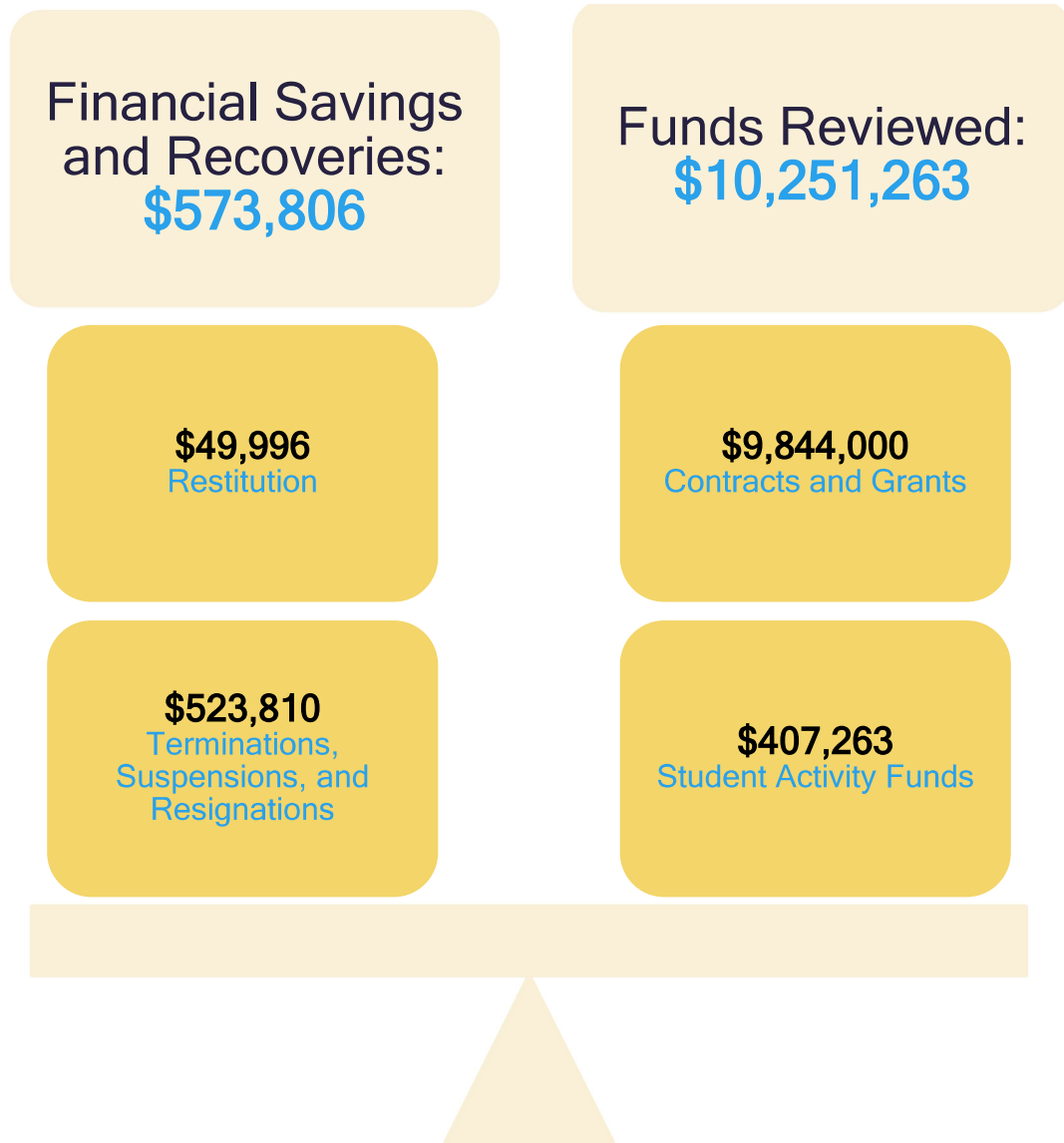
Of the 97 complaints, 26 were referred to other District Departments. The remaining 71 complaints were retained by the OIG for verification, preliminarily investigated, and either closed or elevated for full investigation.

The effects of COVID and the District's subsequent remote-work policy had a tremendous impact on the work the OIG

conducted in 2020 compared to 2021. By comparison, the OIG received more complaints, conducted more investigations, issued more investigative reports, and opened more cases in 2021.

Year-to-Year Comparison		
	2020	2021
Number of Complaints	62	97
Number of Cases Opened	4	14
Number of Reports Issued	5	9
Number of Large-Scale Investigations Initiated	1	2

## OUR IMPACT



## OUR CASES

City taxpayers deserve the best and every collected dollar should be secured and safeguarded. The investigations the OIG conducts aim to eliminate the costs of fraud, corruption, and misconduct, which are squarely borne by the taxpayers. As such, the OIG's mission includes a mandate to ensure that our taxes are spent in a responsible, efficient, and transparent manner, and the cases the OIG works on each year embody this goal. As a result, the OIG inspected about eight times its annual budget this year, and the office continues to be a prudent investment for taxpayers.

### a. Vehicle Misuse

The OIG investigated several cases involving District vehicle misuse, which in part, stemmed from the comprehensive review that the OIG began in 2021 of Transportation's non-bus fleet. The most common form of misuse was using a District vehicle for personal travel. The OIG

issued a report involving a contractor who was given a District vehicle in contravention to District policy. The contractor used the vehicle to travel to and from his home at the New Jersey shore and made personal trips to the mall and the airport. The OIG issued two more reports involving District employees who misused their District

vehicles. One employee used the vehicle to take a personal trip to New York City and regularly used the vehicle to go out to dinner, to clubs, and to visit people after work hours and on the weekends. In the same vein, the OIG issued another report where a District employee used a District car to run personal errands, visit people, and go to restaurants, including a winery, during the pandemic when District staff was operating remotely.



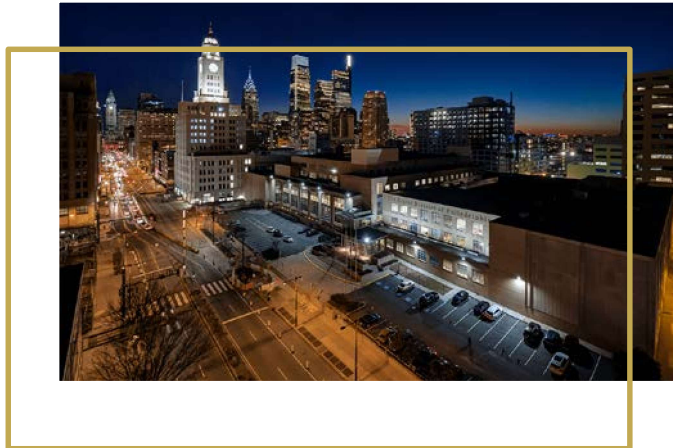
During our investigations, it became clear that the District lacked compliance with policies and procedures for non-bus fleet vehicles. The reality is that the District has a problem with perpetual misuse of vehicles largely due to the mismanagement of the fleet inventory, lack of



driver training on applicable vehicle policies, and irregular discipline for policy violations, which all invariably expose the District to continued abuse of vehicles and increased risk of liability. The OIG recommended that the District amend its vehicle policy to include explicit usage limitations, mandatory and progressive discipline for misuse, and improved fleet tracking and management. As a result of the OIG's investigations, the District has recommitted efforts to crack down on vehicle misuse.

### **b. Secondary Employment**

During the pandemic, many parts of our daily lives changed, including how we work. Due to the shift to virtual or hybrid work schedules, the OIG received a record number of complaints about full-time District employees “double dipping” by holding secondary jobs that conflicted and overlapped with employees’ District work hours. The OIG worked with Office of Talent to investigate and root out employees who took advantage of the virtual work environment and ultimately falsified their work hours with the District.



In January of 2021, the OIG issued a report involving a District employee who was working both full-time for the District and for another school district in Ohio. The employee's hours overlapped completely and as a result the individual received salaries for full-time employment from both our District and an Ohio school District. Following several similar complaints, the OIG issued an administrative memo that detailed four other employees who held full-time positions with the District and concurrently worked other full-time jobs that overlapped and conflicted with the employees' District hours. Of these four employees, three worked full-time jobs for organizations that were out-of-state. The fourth employee worked as a home health aide during the hours the individual also worked at the District. Of the five individuals who falsified their work hours with the District, one individual was referred to the

United States Department of Treasury for potential criminal charges. All the above individuals investigated by the OIG are no longer employed by the District.

In order to curb unauthorized dual employment, the OIG recommended that the District develop a comprehensive background and reference check process for senior-level District new hires, create a robust remote work policy that makes clear the expectations of the employee during their remote workday, and require non-represented employees to declare their outside employment to the District to ensure that their work does not conflict with District interests. In December 2021, the Office of Talent issued a District-wide telework agreement addressing several of the OIG's recommendations.

### c. Theft of Time

The OIG received many complaints and issued several reports regarding theft of time. Theft of time includes failure to properly record time and overtime by employees and supervisors, failure to properly use the District's timekeeping system, and mismanagement and abuse of "no call, no show" or job abandonment. The OIG worked closely with the Offices of Management and Budget, Talent, and Payroll to review outdated and often unclear policies related to time management procedures. When an employee is not properly coded in the time keeping system, fails to use the system, or inflates their hours, the District and taxpayers



foot the bill. In one case the OIG investigated, an individual was improperly coded after having abandoned their job and received a pay check for 18 months despite having not reported to work. After being terminated from the District, the OIG referred the matter to the Pennsylvania Attorney General's Office for potential criminal charges.

### d. Falsified Verification of Employment (VOE)

The OIG investigates those who falsify their employment status in order to obtain benefits, employment, and other services, and the OIG works closely with other District departments such as Employee Benefits, Talent, and Payroll, to investigate these claims. In one case the

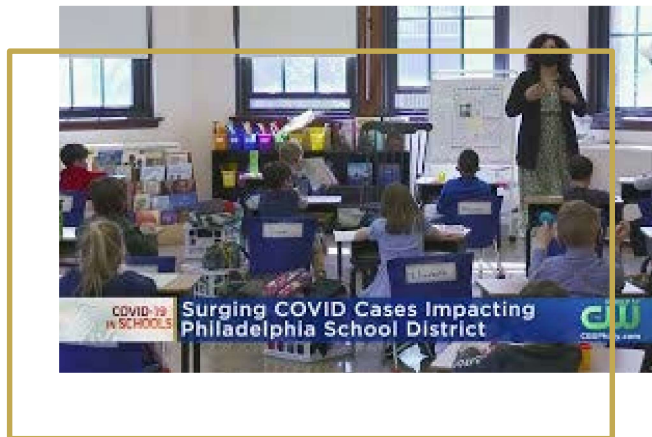
OIG investigated this year, an employee submitted false VOE indicating their salary was much lower than what they earned in order to qualify for public housing. After that employee was terminated, the OIG referred the matter to Housing and Urban Development.

**e. Fraudulent Worker's Compensation**

In order to root out District employees who intentionally fail to disclose reportable employment or income, falsify or report fraudulent medical information, or claim to be injured or disabled when in fact they are not, the OIG partners with PMA Companies, the District's third-party provider for worker's compensation, to investigate allegations of fraud and refer necessary cases for criminal prosecution. The OIG issued a report this year that involved an employee who was receiving worker's compensation though they were fully capable of working and had another job. After the employee left the District, the OIG referred the matter to the Philadelphia District Attorney's Office for potential criminal charges.

**f. Abuse of Wage Continuation and Sick Leave**

In addition to the other types of time fraud investigated by the OIG, the office reviewed abuse of sick leave and wage continuation. Wage Continuation is a voluntary short-term disability plan offered by the District that pays 75% of base pay to enrolled employees who are absent



from work due to an extended approved illness. Much like worker's compensation, the OIG investigated fraudulent usage of sick time and wage continuation for employees claiming to be sick or disabled but in fact were not and often were discovered to be working other jobs while collecting wage continuation payments. In

one case the OIG investigated this year, an employee who was receiving wage continuation was also employed as a full-time home health aide. After that employee resigned in lieu of termination, the OIG referred the matter to the Pennsylvania Attorney General's Office for potential criminal charges.

**g. Use of Force and Safety Protocols**

The OIG reviews incidents involving the Office of School Safety when District policies related to security and use of force are called into question. Several incidents arose this year that required investigation by the OIG as safety of staff and students is of critical importance to ensuring and maintaining a stable learning environment. After reviewing several policies related to use of force and security protocols, the OIG was able to report that the Office of School Safety appropriately followed District policies in carrying out their duties.

**h. Mismanagement of Student Activity Funds**

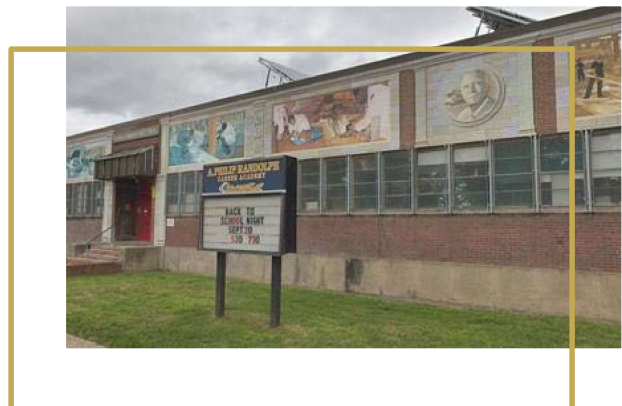
Most people never think twice about the money that is given to schools for prom, year book, school fundraisers, and class trips. However, almost every school has a student activity fund (SAF) to manage money for these student programs. Some of the larger schools have SAF that accumulate over \$100,000 a year. While the District has strict policies and layers of control in place to safeguard these funds, the OIG regularly receives complaints alleging mishandling or theft of funds. This year, the OIG issued a report that reviewed mismanaged funds at a large high school resulting in several thousands of dollars lost. The OIG continues to work closely with the Office of Accounting to improve SAF accountability.

**i. Criminal Referrals and Matters**

The OIG continues to successfully work in concert with our local, state, and federal law enforcement partners. In 2021, this office assisted in various criminal investigations. The following cases of note illustrate the important work that the OIG performs with its law enforcement partners.

As the result of a 2019 case investigated by the OIG and prosecuted by the Pennsylvania

Attorney General's Office, a criminal conviction was secured for a former-District employee, Jyllyan Noman, who stole \$41,087 from a school's Student Activity Fund (SAF). Norman, a

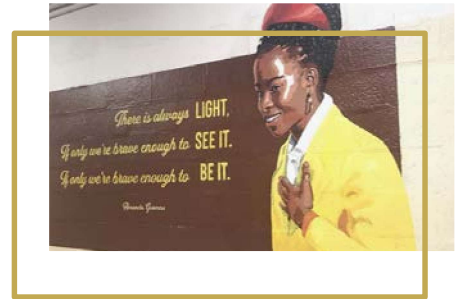


secretary at Randolph Technical High School, wrote 85 checks from the SAF to herself, friends, and family. Pennsylvania Attorney General Josh Shapiro said about this case, "Students, teachers, and staff worked hard to raise money to support activities for the students of Randolph Technical High[.] The defendant was entrusted to manage those funds, but instead she stole from the kids and used the money to enrich herself. [M]y Office will continue to hold anyone who abuses their position of public trust accountable." In 2021, Norman was sentenced and ordered to repay the District the full amount of the theft.

This year, following an investigation by the OIG, a conviction was secured by the Philadelphia District Attorney's Office for a former District-employee, Alkeem Carlyle, who devised a scheme to cash his paycheck twice. Carlyle double cashed at least eight of his paychecks by first depositing them on his mobile device and then presenting the same checks at various check cashing entities. As a result, Carlyle was convicted of eight counts of bad checks and ordered to pay \$5,509 in restitution.

## OUR FUTURE

Each and every Philadelphia resident, District employee and District contractor has a role in building an effective, efficient, and honest school district. The OIG cannot accomplish its mission without active and open participation from members of our community and our workforce. Because most of the OIG's cases originate from tips from members of the public and employees, it is important to continue increasing awareness of the office - both to generate more investigative leads and to deter wrongdoing by showing that a vigilant watchdog is guarding the District.



Prevention begins with education. In that vein, this year our office plans to regularly engage department executives to proactively identify corruption hazards, abuse of resources, and wasted funds. In 2022, the OIG plans to continue and expand outreach and anti-corruption training geared towards informing district employees about the office and our work, how to spot fraud, and provide safe, anonymous ways to report abuse. The office will continue teaching principals and assistant principals about the office through quarterly training sessions. Since 2019, the OIG has reached over 1,100 District employees through these training sessions. In addition to anti-corruption training, the OIG continues to monitor our anonymous tip line, which enables anyone to make a complaint.

In the coming year, in addition to our investigative work, the OIG plans to focus resources on conducting large-scale reviews into vendor change orders, management and oversight of the non-bus fleet, background work clearance compliance involving outside partners, creating a more robust background investigation process for senior level hires and District vendors, and conducting various reviews of District assets.



# OUR CONTACT INFO

## Office of the Inspector General, School District of Philadelphia



440 N. Broad Street, Suite 1066  
Philadelphia, PA 19130



215-400-4030



[inspectorgeneral@philasd.org](mailto:inspectorgeneral@philasd.org)



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