

**OFFICE OF INSPECTOR GENERAL
CITY OF JACKSONVILLE**



**REPORT OF
MANAGEMENT REVIEW**

**POLICIES AND PROCEDURES REGARDING JEA
EMPLOYEES' USE OF JEA EQUIPMENT
FOR PERSONAL USE**

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"Enhancing Public Trust in Government Through Independent and Responsible Oversight"



OFFICE OF INSPECTOR GENERAL CITY OF JACKSONVILLE

MANAGEMENT REVIEW CASE NUMBER: 2022-0007

Matthew J. Lascell
Inspector General

“Enhancing Public Trust in Government Through Independent and Responsible Oversight”

EXECUTIVE SUMMARY

In November of 2021, the Office of Inspector General (OIG) received information from JEA Audit Services regarding Sheldon Burch (Burch), Mechanical Technician, JEA stealing JEA equipment from the Northside Generating Station (NGS), located at 4377 Heckscher Drive, Jacksonville, Florida 32226, beginning in April of 2021. JEA Audit Services also reported Burch may have used JEA equipment, specifically tools, for personal projects at NGS outside of his duty hours, beginning in August of 2021.

In December of 2021, the OIG referred this matter to Jacksonville Sheriff’s Office (JSO), Interagency Special Investigation Division for criminal investigation in accordance with §602.303(j), *Ordinance Code*.

In January of 2022, JSO notified the OIG based upon the information obtained during their criminal investigation, this case was better handled administratively. However, JSO also advised Burch had received permission from David Curtright, Manager of Electric Production Maintenance, JEA to use JEA equipment outside of Burch’s duty hours for personal projects.

Due to this information, the OIG initiated a management review to address the use of taxpayer and government resources for personal use.

ISSUES AND FINDINGS

Issue (1):

Whether policies or procedures exist regarding JEA employees’ use of JEA equipment, specifically tools and machinery, for personal use.

Governing Directives:

§601.101, Use of Public Property, COJ Ordinance Code; and §602.401(d)(1), Misuse of position, information, resources etc., COJ Ordinance Code.

Finding:

The following issue and area of improvement was identified:

- There are no *JEA Organizational Policies & Procedures* prohibiting JEA employees from using JEA equipment, specifically tools and machinery, for personal use.

COJ Ordinance Codes

§601.101, Use of Public Property, which states verbatim:

It is unlawful for an officer or employee of the City or an independent agency to knowingly use property owned by the City or an independent agency for his or her personal benefit, convenience or profit, except in accordance with policies promulgated by the council or by the governing body of the independent agency owning the property.

§602.401(d)(1), Misuse of position, information, resources etc., which states verbatim:

Misuse of property. It is a violation of this Chapter for an officer, employee or independent contractor of the City or an independent agency to knowingly use property owned by the City or any independent agency for his or her personal benefit, convenience or profit, or for the benefit, convenience or profit of others, except in accordance with official written City policies or ordinances.

JEA Organizational Policies & Procedures

The OIG reviewed *JEA Organizational Policies & Procedures* and found no policies or procedures indicating JEA employees are prohibited from using JEA tools and machinery for personal use.

JSO Criminal Report

The JSO criminal report, states verbatim, in part:

[David Curtright, Manager of Energy Production Maintenance, JEA] stated that all NGS¹ employees can use JEA equipment if it's on their own time and they bring in whatever supplies are needed for their project. He stated that this is policy...I asked Manager Curtright to provide me a copy of the policy that allows JEA employees to be able to use JEA equipment for personal projects on their time off. After checking, Mr. Curtright was unable to locate a copy of that policy...

A check of JEA badging history for Mr. Burch between the dates of 6/1/2021 — 10/31/2021 only revealed two times that Mr. Burch gained access to NGS on a non-working day. The dates were Saturday 7/10/21 and Friday 9/10/2021 and the time spend [sic] on property was less than 30 minutes each time. I asked Mr. Burch why he would badge into JEA on his day off and his response was to use equipment in the shop. Mr. Burch stated that he most likely came to the shop to use the, "Break" to bend some metal for a personal project. He stated that any employee can use JEA equipment for personal projects if it's during their off time and the materials are provided by the employee...

¹ NGS is an acronym for the Northside Generating Station.

TESTIMONY**Statement of David Curtright, Manager of Energy Production Maintenance, JEA**

Curtright has been employed with JEA since 2004 and has held the position of Manager of Energy Production Maintenance since approximately 2019. His job duties included overseeing JEA mechanical equipment such as boilers, blowers, pumps and piping at the NGS. Curtright stated there was a JEA policy in effect years ago (timeframe not recalled) allowing JEA employees to use JEA equipment for personal use, if it did not incur any additional cost to JEA. Curtright assumed the JEA equipment referenced in this policy included tools and machinery; however, Curtright could not recall the name of this policy or when he initially learned of this policy.

Curtright stated NGS-assigned JEA employees would verbally ask him for permission to use JEA equipment such as machines (e.g., welding machines) for personal use, either onsite or offsite. He described onsite use as when an employee used JEA equipment onsite for personal use and brought their own materials outside of their duty hours. He described offsite use as when an employee took JEA equipment offsite (e.g., their personal residence) for personal use, outside of their duty hours. Curtright would either verbally grant or deny their request based on amount of time and use of the JEA equipment. According to Curtright, JEA employees most commonly requested and were permitted to use JEA equipment for personal use, offsite.

Curtright permitted Burch to use JEA equipment for personal use outside of his duty hours, to remove unwanted metal from sheet metal. Curtright could not recall the specific date, but stated this occurred while he had been in his current position. Curtright estimated Burch requested and was permitted to use JEA equipment for personal use outside of his duty hours, on approximately four occasions.

Statement of Sheldon Burch, Mechanical Technician, JEA

Burch has been employed with JEA since October of 2017 and has held the position of Mechanical Technician throughout his employment. His job duties included welding and working on JEA mechanical equipment such as motors, pumps and tubes at NGS. As of February of 2022, Burch's direct supervisor was Rick Dow (Dow), Manager of Energy Production Maintenance, JEA. Prior to February of 2022, Burch had been supervised by Curtright and Dow.

Upon beginning his JEA employment, Burch learned from other NGS-assigned JEA employees, including Dow and Curtright, any employee could use JEA equipment for personal projects, if these projects were completed outside of their duty hours, the employee provided their own materials, and it did not incur any additional cost to JEA. Burch assumed this information was referenced in JEA Ethics-related materials or the Collective Bargaining Agreement (*Agreement between JEA and International Brotherhood of Electrical Workers Local 2358*); however, Burch has never read this information.

Burch stated he would request (either verbally or in writing) to use JEA equipment for personal use, either onsite (e.g., NGS) or offsite (e.g., personal residence), from his direct supervisor. Burch's supervisor would either grant or deny his request.

Regarding onsite use of JEA equipment, Burch attempted to use a press brake² at NGS for a personal project on July 10, 2021 and September 10, 2021, but the press brake was inoperable on these occasions. Burch intended to use the press brake to remove unwanted metal from a piece of metal. Either Dow and/or Curtright verbally granted Burch permission to use the press brake on these occasions.

Regarding offsite use of JEA equipment, Burch had taken a plasma cutter³ from NGS to his personal residence for a personal project in approximately 2019 or 2020. Burch used the plasma cutter to cut stainless steel, then returned the plasma cutter to NGS. Curtright verbally granted Burch permission to use the plasma cutter on this occasion.

Statement of Steven Bossier, Director of Risk Management Services, JEA

Bossier has been employed with JEA since November of 2017 and has held the position of Director of Risk Management Services throughout his JEA employment. His job duties included ensuring JEA assets are appropriately accounted for and representing JEA in liability (i.e., general, auto, and property) and workers' compensation claims. Bossier explained JEA is a participant of the City of Jacksonville's (COJ) Self-Insured Program; therefore, the COJ Risk Management Department handles JEA's liability and workers' compensation claims.

To Bossier's knowledge, there were no existing *JEA Organizational Policies & Procedures* permitting JEA employees to use JEA equipment, specifically tools and machinery, for personal use during and/or outside of their duty hours. Based on this knowledge, Bossier was concerned with the JEA employee in question⁴ being outside of the "course and scope" of their official employment during the time of their actions; acting as an independent agent; and utilizing JEA assets for personal gain. Bossier stated the JEA employee's supervisor⁵ "doesn't have the authority to allow this either [permit the personal use of JEA equipment]." Bossier stated if the JEA employee's actions resulted in an injury, JEA would not be responsible to compensate them through claims because the employee was outside of the course and scope of their official employment.

Issue (2):

Whether JEA employees are prohibited from using their JEA-issued security badges to access JEA property for the personal use of JEA tools and machinery during and/or outside of their duty hours.

Governing Directives:

JEA Organizational Policy & Procedure: Physical Access Control, Corporate Policy Ref: Physical Security and Fire Prevention, Version Effective Date: October 1, 2021, Version: 6 (hereinafter referred to as **Physical Access Control**)

² A press brake is a piece of manufacturing equipment used to bend sheet metal.

³ A plasma cutter is a piece of manufacturing equipment used to cut metal by sending air or an inert gas through a plasma torch, sparking an electrical arc, and then forcing plasma through the torch tip to cut metal.

⁴ The OIG made Bossier aware of the circumstances surrounding Burch's actions, without disclosing Burch's name.

⁵ The OIG made Bossier aware of the circumstances surrounding Curtright's actions, without disclosing Curtright's name.

Finding:

The following issue and area of improvement was identified:

- The *JEA Organizational Policy & Procedure Physical Access Control* does not address whether JEA employees are prohibited from using their JEA-issued security badges to access JEA property for the personal use of JEA tools and machinery during and/or outside of their duty hours.

JEA Organizational Policies & Procedures

The OIG reviewed *JEA Organizational Policy & Procedure Physical Access Control*, which did not reflect any language indicating JEA employees are prohibited from using their JEA-issued security badges to access JEA property for the personal use of JEA tools and machinery during and/or outside of their duty hours.

TESTIMONY**Statement of Steven Bossier, Director of Risk Management Services, JEA**

Bossier was concerned with the JEA employee in question⁶ accessing a JEA facility outside of their duty hours for the personal use of JEA equipment and with First Coast Security Services, Inc. (FCSS), JEA's contracted security service provider, for allowing them to enter the facility. Bossier stated all JEA facilities, including NGS, have onsite security and JEA employees must scan their JEA-issued security badges to enter the facilities. Bossier stated the JEA employee was "*using company assets [JEA-issued security badge] to access...welding machines, bending machines...that are not his.*"

Statement of David DeGraw, Manager of Security Operations, JEA

DeGraw has been employed with JEA since 2014 and has held the position of Manager of Security Operations since 2016. His job duties included overseeing JEA Security operations, which is comprised of JEA assets and properties, and serving as the Contract Manager for JEA Contract Number 168517, between JEA and FCSS for security services.

DeGraw stated JEA's access control system can track JEA employees entering and exiting JEA facilities. However, if JEA employees have JEA-issued security badges, then they have unrestricted access (24 hours a day and 7 days a week) to their assigned facilities. Because FCSS is aware JEA employees have unrestricted access, DeGraw stated, "*Security would not stop them or even ask them any type of questions*" for entering the facilities at any time.

DeGraw recalled NGS has an internal policy allowing JEA employees to fish onsite and use the onsite gym outside of their duty hours. Outside of this internal policy, DeGraw stated JEA employees should not be using their JEA-issued security badges to access JEA facilities for personal use. Specifically, they should not be accessing JEA facilities for personal use of JEA equipment, such as tools and machinery, outside of their duty hours.

⁶ The OIG made Bossier aware of the circumstances surrounding Burch's actions, without disclosing Burch's name.

RECOMMENDED CORRECTIVE ACTIONS

The OIG recommends JEA:

- Work with the JEA Risk Management Services Department to establish a *JEA Organizational Policy & Procedure* related to JEA employees' use of public property consistent with §601.101 and §602.401(d)(1), *COJ Ordinance Code*.
- Update the *JEA Organizational Policy & Procedure Physical Access Control* to address JEA employees' use of JEA-issued security badges, to access JEA property, for the personal use of JEA tools and machinery.
- Ensure First Coast Security Services, Inc. and their employees are aware of the aforementioned established and/or revised *JEA Organizational Policies & Procedures*.
- Update the JEA Code of Conduct and/or training materials to reflect any changed and/or newly implemented policies and procedures.
- Take any additional corrective action deemed appropriate.

INSPECTOR GENERAL STANDARDS

This Management Review has been conducted in accordance with the ASSOCIATION OF INSPECTORS GENERAL Principles & Quality Standards for Investigations.