

# INTEGRITY **MATTERS**

ANNUAL REPORT  
**2021**



*City of Philadelphia*  
Office of the  
**Inspector General**





## OUR MISSION

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The mission of the Office of the Inspector General is to boost public confidence in City government by rooting out corruption, fraud, misconduct, waste and mismanagement. A watchdog for City taxpayers, the OIG has authority to conduct investigations of all executive departments, agencies, commissions and boards – as well as any individual or entity that does business with the City or receives City funding. An operationally independent office, the OIG conducts both criminal and administrative investigations. It has the power to issue subpoenas; to examine all City documents, contracts and expenditures; and to demand testimony from City employees.

*This report was produced in accordance with Executive Order 7-14*

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## MESSAGE FROM THE **INSPECTOR GENERAL**

### **All of the OIG's work is anchored by the opening principle in our mission statement**

– we seek to enhance the public's confidence in our City's government. Year after year, this is our goal; we hold proven wrongdoers accountable and drive positive change for the citizens of Philadelphia who deserve a government that is consistently honest and efficient.

In 2021, our office once again yielded demonstrable results for the public to see as evidence of the City's larger commitment to upright service. OIG investigations resulted in roughly \$8.6 million of savings – several times the OIG's modest budget. Leveraging our longstanding partnerships with law enforcement, in 2021 we saw seven criminal enforcement actions following joint investigations. And, more than 30 City employees were administratively disciplined as a result of OIG investigations that substantiated allegations of wrongdoing.

As important as these outcomes may be for our City, the nationwide level of confidence in government is in decline. Government, at every level, has had to navigate new and unique challenges around public health, community safety and racial equity – sometimes with great

success and sometimes with drastic failure. In 2021, Philadelphians actively challenged many of City government's key decisions about things like vaccine equity and policing, centering the OIG's role as a neutral and objective channel of resolution. Now more than ever, we must continue to ensure that honesty and integrity are firmly at the foundation of everything that our City does.

Thank you for your commitment to integrity in our government.

**Sincerely,**

**Alexander F. DeSantis, Inspector General**

# POWER IN NUMBERS<sub>2021</sub>



## CASE RESULTS

TERMINATIONS .....	29
SUSPENSIONS/REPRIMANDS .....	9
FINANCIAL RECOVERIES .....	6
FINES/FORFEITURE ORDERS .....	3
CRIMINAL ENFORCEMENT ACTIONS .....	7
POLICY RECOMMENDATIONS .....	5
CONTRACT ENFORCEMENT ACTIONS .....	1
PENSION DISQUALIFICATIONS .....	3

**\$8,670,751**  
2021 TOTAL SAVINGS

## FINANCIAL SAVINGS & RECOVERY



<b>\$416,462</b> Recovery
<b>\$12,500</b> Fines/Forfeiture
<b>\$27,398</b> Suspension
<b>\$3,330,294</b> Termination (based on 2-yr projection)
<b>\$4,884,097</b> Pension Savings*

\*Pension savings represent disqualification due to criminal conviction or withdrawal of contributions due to pending arrest or indictment.

## INVESTIGATIONS OPENED BY DEPARTMENT



Department of Behavioral Health and Intellectual disAbility .....	2
Department of Commerce .....	2
Department of Human Services .....	6
Department of Licenses and Inspections .....	7
Department of Planning and Development .....	1
Department of Prisons .....	13
Department of Public Health .....	3
Department of Public Property .....	2
Department of Revenue .....	3
Division of Aviation .....	2
Fire Department .....	10
Free Library of Philadelphia .....	3
Law Department .....	2
Managing Director's Office .....	2
Managing Director's Office - 311 .....	1
Managing Director's Office - CLIP .....	1
Mayor's Office .....	1
Mayor's Office of Community Empowerment & Opportunity .....	1
Mayor's Office of Education .....	1
Mayor's Office of Labor .....	1
Mural Arts Program .....	1
Office of Fleet Management .....	1
Office of Homeless Services .....	2
Office of Human Resources .....	2
Office of Property Assessment .....	2
Office of the Director of Finance .....	1
Philadelphia Parks and Recreation .....	5
Police Department .....	4
Procurement Department .....	1
Streets Department .....	20
Water Department .....	10
Other .....	21



# THE NEED FOR TRANSPARENCY - **PHILLY FIGHTING COVID**

In February 2021, the Office of the Mayor requested the OIG's assistance in investigating the relationship between the Philadelphia Department of Public Health and the local testing and vaccinating organization Philly Fighting COVID (PFC). Asked to report within thirty days, the OIG's investigation found procedural deficiencies and a lack of transparency by the Health Department in their decision to engage PFC to vaccinate residents against COVID-19.

The OIG's report highlighted a failing by Health Department employees to properly vet PFC as a partner on this vital project, ignoring numerous warning signs about PFC's leadership. The report also stressed how problematic it was for Health to engage PFC without a contract.

While finding that Health officials did not violate laws, rules or regulations governing vaccinations, the OIG recommended the Department comply with City contracting rules and increase public transparency as it related to vaccine allocations and how partnerships to distribute vaccines were decided.

## Philly Fighting COVID vaccine partnership put city 'at great risk,' says inspector general

By New York Times Staff Writers • March 8, 2021

1,100



## The Bizarre, Infuriating Story of Philly Fighting COVID's Meteoric Rise and Swift Fall

A 20-something student with big ambitions and no medical experience thought he was the best person to lead Philly's COVID vaccination efforts. The city agreed. What could possibly go wrong?

## In Philadelphia, a mass vaccination clinic opened with fanfare, then closed amid rifts of trust

By Associated Press Staff Writers • March 10, 2021



## What you need to know about the Philly Fighting COVID scandal

By Associated Press Staff Writers • March 10, 2021



## Philadelphia Health Department under investigation as it seeks new vaccine partners

By Associated Press Staff Writers • March 10, 2021



# ADMINISTRATIVE CASES

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, recommending corrective and disciplinary action to City departments, including termination where appropriate. And where systemic problems are identified, the OIG issues Policy Recommendation Reports to suggest changes to procedures that improve government efficiency and safeguard taxpayer dollars.

## ANYONE CAN

submit an anonymous tip at:



[phila.gov/ig](https://phila.gov/ig)



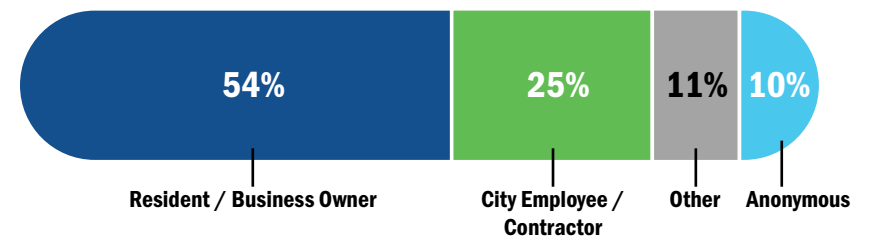
215-686-1770



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## 2021 COMPLAINTS

by source



### The Courage to Report

A reflection of Mayor Kenney's comprehensive commitment to protect those who come forward and identify wrongdoing, most of the complaints the OIG investigates each year come from either City employees or local residents. Nearly 80% of the complaints received in 2021 sourced from these courageous groups, who are our first line of defense against fraud and corruption. Another 10% came from anonymous complainants, a valuable option for those who believe in integrity but may fear the consequences of reporting.

## 2021 SUBSTANTIATED ALLEGATIONS

by Category



Residency

13



Secondary  
Employment

14



Other

11

\*Theft of property, vehicle  
misuse, unemployment  
fraud, off-duty misconduct.

### Residency Violations

With the City operating under a hybrid work schedule, the OIG continues to aggressively pursue complaints of City employees violating the residency requirement set forth in the Home Rule Charter. In 2021, thirteen City employees lost or resigned from their jobs after investigations into residency violations. They were found to live in Bucks, Delaware, and Montgomery Counties, as well as the states of Delaware and New Jersey. Last year's figure was more than double the number of employees (five) who were removed from City employment because of residency violations in 2020.

### Secondary Employment

City employees can work second jobs only in select circumstances where the work does not conflict with City duties and after receiving department approval. In 2021, fourteen City employees were found to have violated the secondary employment policy. Of those, eight were removed from their City jobs; four received suspensions; and the other two were reprimanded with written warnings. The dismissed employees included an evaluator who was simultaneously working as a governmental commissioner abroad while on medical leave and a social worker who was working as both a City employee and a nonprofit contractor.

### Policy Recommendations

The OIG investigates policies and practices of City agencies to take preventive measures for public safety and to ensure that taxpayer dollars are being used in the most efficient and effective ways.

After an investigation that identified a City employee operating a City vehicle without a valid driver's license, the OIG, concerned by the potential risk of unlicensed employees, researched the City's Driver's License Verification Program. The OIG found that the program broke down in 2019 when the City's new human resources and payroll system, One Philly, became active. Following the OIG investigation, the Office of Risk Management now works more closely with the Office of Human Resources to ensure that City employees with drivers' license restrictions are barred from operating City vehicles.



A background image of the Chicago skyline with the American flag and the Illinois state flag flying in the foreground.

## DESPITE THESE OUTCOMES, the overwhelming majority of City employees are honest, forthright and committed to their jobs.

In 2021 the OIG also concluded an investigation into the Office of Emergency Management's food-procurement processes during two emergency periods in 2020: the COVID-19 pandemic and civil unrest following the death of George Floyd. In both cases, City staff acted in good faith in quickly arranging large-scale food orders for emergency responders, but the OIG found that by doing so outside proper channels, the City opened the door to potential fraud, waste and abuse. The OIG issued recommendations to both OEM and Procurement to improve food services during extended emergencies, including establishing a contractor on-call list to ensure a fair and transparent selection process that is inclusive of women- and minority-owned businesses.

142 completed  
investigations



36  
substantiations

## Exonerating the Innocent

Despite these outcomes, the overwhelming majority of City employees are honest, forthright and committed to their jobs. But these honest individuals are rarely recognized. The OIG works tirelessly to protect those City employees who have served faithfully and with integrity. The vast majority of OIG investigations yield

no affirmative finding of wrongdoing. We only recommend action when an allegation is supported by independent evidence. In 2021, we completed 142 full investigations, and only 36 resulted in one or more recommendations for corrective action.



# CRIMINAL INVESTIGATIONS



When OIG investigations uncover evidence of potential criminal violations, we actively partner with law enforcement to hold wrongdoers accountable. Year after year, we rely on our strong partnerships across federal, state and local government to conduct joint criminal investigations that result in charges, convictions and restitution for the City of Philadelphia. Only together can we make an impact.

## Law Enforcement Partners

A founding member of the Philadelphia anti-corruption task force, the OIG works closely with the Philadelphia Police Department, the Philadelphia District Attorney's Office, the Federal Bureau of Investigation, the United States Attorney's Office and the Pennsylvania Office of the Attorney General on significant criminal fraud and corruption cases. Each of these partnerships has yielded important victories in the battle against corruption.

## Embezzlement at Parks & Recreation

The OIG worked closely with the U.S. Attorney's Office and the FBI to ensure that former City of Philadelphia officials, **Leo Dignam** and his brother **Paul Dignam**, were held accountable for their theft crimes. The brothers were sentenced in May 2021 to federal prison after pleading guilty to fraud and embezzlement charges.

**Leo Dignam**, a former Assistant Managing Director and longtime Parks and Recreation Department employee, was sentenced to fifteen months behind bars and a year of supervised release after stealing \$150,000 from city-managed accounts to pay

off personal expenses. **Paul Dignam**, who was also a Parks and Recreation employee, was sentenced to thirteen months behind bars and a year of supervised release for a scheme to defraud the City of about \$119,000, also for personal expenses.

Both former employees have since paid back to the City the money they stole. The OIG also worked with the City's Law Department to ensure that both brothers were disqualified from their pensions, potentially saving the City millions.

## Employee Theft

OIG investigations also led to the federal convictions of two other individuals in the U.S. District Court for the Eastern District of Pennsylvania in 2021. **Damarys Natal**, a tax collector at the Department of Revenue pleaded guilty to bribery, admitting to taking over \$25,000 from taxpayers in order to reduce or eliminate their outstanding City debts. Additionally, **Barbara Conway**, pleaded guilty to stealing funds from a federal program. Conway was an employee of a City contractor when she stole over \$35,000 of food vouchers intended for participants of an AIDS relief program.





# POLICE OVERSIGHT

**Adam Geer** joined the Office of the Inspector General in April 2021 as the City's first Deputy Inspector General for Public Safety. Prior to joining the OIG, Geer served as an Assistant District Attorney for the Philadelphia District Attorney's Office for over a decade. He left the DAO as a senior prosecutor assigned to the Homicide Unit, while also serving as the Office's Director of Diversity, Equity & Inclusion.

After his appointment to the OIG, Geer focused on connecting and building partnerships with leadership from various City agencies and stakeholders including members from the Philadelphia Police Department, Office of the Mayor, Police Advisory Commission, City Council, academic institutions, civic associations, and community leaders. The goal of this work is to increase police oversight and public trust in the fairness and efficacy of law enforcement in Philadelphia.

In the past year, Geer has examined several PPD systems and policies, ranging from training and recruitment to directives impacting DEI issues. His work on one particular issue, the residency requirement for police recruits, contributed to a robust city-wide conversation on the topic. City leaders later repealed this requirement, and the PPD is now expected to be able to increase its overall police recruit numbers, and thereby improve public safety.



**"PUBLIC SAFETY POLICIES do not exist in a silo, and it's critical and necessary to hear from as many individuals, organizations and the like to make sure our work is thoughtful and representative."**

— DEPUTY INSPECTOR GENERAL ADAM GEER



[\*\*phila.gov/ig\*\*](http://phila.gov/ig)



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