



A C WHARTON, JR. - Mayor
GEORGE M. LITTLE - Chief Administrative Officer
EXECUTIVE DIVISION
Internal Audit Service Center
LEON PATTMAN, CIA, CISA, CRMA, CMFO
City Auditor

July 21, 2014

Ms. Janet Hooks, Director
Parks and Neighborhoods Division
City of Memphis
2599 Avery
Memphis, Tennessee 38122

Dear Director Hooks:

Internal Audit received a whistleblower report via email on June 28, 2014 alleging that several Golf Program management-level employees were in violation of the City's residency requirements. It alleged that at least four employees lived in Arkansas, Mississippi and Fayette County (TN). We initiated a special investigation with the primary objective of determining if the Golf management-level employees were in compliance with *City Policy Manual 14-02: Residency Requirements* (PM 14-02). To accomplish our objectives, we obtained and reviewed pertinent employee and other records, as well as *City Charter, Article 27, Section 190 – Residence Requirement of Persons Employed by the City of Memphis*.

CONCLUSION:

We found reasonable evidence that all thirteen (13) of the Golf Program management-level employees were in compliance with PM 14-02.

SUMMARY OF INVESTIGATION:

- City employment records showed that 9 of the 13 Golf Program management-level employees were subject to a “grandfather clause” that allows all employees hired prior to January 1, 2005 to live anywhere within a 2.5 hours’ drive of the City. Those 9 employees are not required to live within Shelby County as the current policy requires and we noted no compliance issue with their addresses.
- City employment records showed that the remaining 4 of the 13 Golf Program management-level employees were subject to the current policy that requires their residency to be within the boundaries of Shelby County. We obtained sufficient and reasonable evidence that each of the 4 resided within Shelby County.

Recommendations were not warranted and we are not requesting a formal response to this letter from management. Our investigation may not necessarily disclose all weaknesses related to compliance with City policies. The procedures performed for this project do not constitute an audit under government auditing standards.

We appreciate the cooperation of Parks and Neighborhoods management and assistance from the Human Resources Division. Please feel free to give us a call if you have questions or concerns.

Sincerely,



Catrina McCollum, CFE, CICA
Project Manager

APPROVED:



Leon Pattman, CIA, CISA, CRMA, CMFO
City Auditor

- c: AC Wharton, Jr., Mayor
George M. Little, Chief Administrative Officer
Quintin Robinson, Director, Human Resources
Larry Smith, Deputy Director, Parks and Neighborhoods Division
Jill Madajczyk, Deputy Director, Human Resources Division