

# OFFICE OF INSPECTOR GENERAL CITY OF JACKSONVILLE



## REPORT OF INVESTIGATION 2017-0009

---

**JEA EMPLOYEE MISAPPROPRIATED JEA GYM MEMBERSHIP DUES  
FOR PERSONAL USE AND VIOLATED SEVERAL JEA POLICIES**

---

---

**LISA A. GREEN  
INSPECTOR GENERAL**

**OCTOBER 17, 2018**

---

**DATE ISSUED**

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

**EXECUTIVE SUMMARY**

In March of 2017, the Office of Inspector General (OIG) received information concerning Michelle Petty (Petty), Community Engagement Associate (an appointed position), Customer and Community Engagement, JEA. The complainant, in substance, alleged Petty was possibly violating JEA's secondary employment and time and attendance policies.

In May of 2017, after a preliminary review and pursuant to §602.303(j), *Ordinance Code*, the OIG referred the complaint to the JEA Interagency Detective, Jacksonville Sheriff's Office (JSO), for a criminal investigation relating to Florida Statutes §812.014, Theft, and §838.022, Official Misconduct. In June of 2017, the JEA Interagency Detective notified the OIG the criminal investigation had concluded and that no criminal violations would be pursued. The matter was referred back to the OIG for administrative investigation.

Based upon records reviewed and statements obtained during the OIG investigation, the allegation that Petty may not be working her required hours was **unsubstantiated**. The OIG investigation concluded Petty's position as Community Engagement Associate required a flexible work schedule and the investigation could not conclusively determine Petty was not working her required hours.

However, based on the records reviewed and Petty's own admissions, the OIG investigation **substantiated** that Petty violated the JEA *Secondary Employment Policy (effective 2013 and 2016)*.<sup>1</sup> Petty admitted she sold woman's clothing and collected payments from JEA co-workers in her office during March and April of 2017. Although Petty attempted to obtain approval for this secondary employment, a computer error prevented the form from being processed. Petty admitted that she *never* followed up on the approval process. The investigation determined Petty did not have Director approval for this activity.

Further, based on records and testimony, the OIG **substantiated** that Petty used JEA resources including computer, scanner, and e-mail account for both secondary employment and personal use in violation of JEA's *Acceptable Use Policy 2016*. Petty testified she was aware of and had received training in 2016 and 2017 related to the *JEA Acceptable Use Policy 2016*. The OIG notes the *JEA Acceptable Use Policy 2016* does not adequately define "limited personal use" and that it is not clearly understood by both JEA managers and employees.

The OIG confirmed Petty and her husband, Eric Petty, had voluntarily managed the JEA employee-owned downtown gym incorporated as the JEA Fitness Association, Downtown Facility, Inc. (Gym), located at 421 Laura Street, Jacksonville, Florida since 2012. As part of the investigation, the OIG reviewed this activity to determine if there were any secondary employment violations.

The investigation revealed Petty was the sole authorized signer on the Gym bank account. A subsequent review of the Gym bank account records disclosed monies were being used to make payments against a Discover Card account. Petty was interviewed and testified under oath that

---

<sup>1</sup> The OIG investigation reviewed only policy versions dating back to 2013.

she *did not* use any money from the Gym's bank account (mostly comprised of gym membership dues) for personal use. However, a subsequent review of subpoenaed documents for Petty's Discover Card and the Gym's bank records disclosed Petty used the money from the Gym bank account for personal use. The OIG identified that approximately **\$3,088.74** in electronic payments from the Gym account was sent to M. Petty's personal Discover Card.

The information relating to the personal use of Gym bank account funds by Petty was referred to the JSO Integrity Unit for criminal investigation due to possible violations of Florida Statute §812.014, Theft. The criminal investigation **substantiated** that Petty used funds derived from the Gym's bank account in the amount of **\$11,985.73** (which included the amount identified by OIG) for personal use. In August of 2018, pursuant to an arrest warrant, Petty self-surrendered to the Duval County Jail for violation of Florida Statute §812.014, Theft.

Additionally, during the OIG investigation Petty admitted that she did not pay for Gym membership dues. The OIG estimated the amount Petty benefited as a result of not paying Gym membership dues while managing the Gym was approximately **\$755**.

The investigation concluded that within JEA there is an inconsistent understanding by both JEA managers and employees as to whether the Gym is part of the JEA Wellness Program and whether the activities associated with managing the Gym are considered official duties.

On October 16, 2018, JEA Management advised that personnel action is forthcoming. On October 17, 2018, the State Attorney's Office for the Fourth Judicial Circuit advised the case was forwarded to the Pretrial Intervention Program. As part of the program, Petty will be required to pay restitution, fulfill community service requirements, and pay investigative costs associated with the case.

## INVESTIGATIVE REPORT

---

**ALLEGATIONS**

---

An anonymous complainant alleged Michelle Petty (Petty), Community Engagement Associate (an appointed position), Customer and Community Engagement, JEA, “*may be selling clothing during her work hour (sic) and the employee may not be working her required hours.*” Based on this complaint, the OIG opened an investigation into possible violations of JEA’s secondary employment and time and attendance policies.

---

**GOVERNING DIRECTIVES**

---

*Florida Statute*

- §812.014(2)(c)(3), *Theft*;

*JEA Policies and Procedures*

- *Employee Services Procedure: ES A0201 003 PR Time and Attendance for Appointed Employees*, effective August 11, 2010, *Time and Attendance for Appointed Employees (referred to hereafter as **Time and Attendance 2010**)*;
- *Employee Services Procedure: ES A0201 003 PR Time and Attendance for Appointed Employees*, effective September 21, 2016, *Time and Attendance for Appointed Employees (referred to hereafter as **Time and Attendance 2016**)*;
- *JEA Procedure: EWS A0202 LR607 Secondary Employment*, effective May 1, 2013, *(referred to hereafter as **Secondary Employment 2013**)*; and
- *JEA Procedure: EWS A0210 009 Secondary Employment*, effective November 21, 2016, *(referred to hereafter as **Secondary Employment 2016**)*.

---

**BACKGROUND**

---

In March of 2017, the Office of Inspector General (OIG) received information from JEA Audit Services concerning an anonymous complaint (JEA-17-03-0004) received via the JEA Audit Services hotline. The complainant alleged Petty may be selling clothing during her work hours and may not be working her required hours. Based on the complaint, the OIG initiated an investigation into possible violations of JEA policies related to secondary employment and time and attendance.

In May of 2017, after a preliminary review and pursuant to Section 602.303(j), *Ordinance Code*, the OIG referred the complaint to the JEA Interagency Detective, Jacksonville Sheriff’s Office (JSO), for a criminal investigation relating to Florida Statutes §812.014, *Theft*, and §838.022, *Official Misconduct*.

In June of 2017, the JEA Interagency Detective notified the OIG the criminal investigation had concluded and referred the matter back to OIG for administrative investigation. The criminal investigation confirmed Petty was spending time in the JEA Fitness Association, Downtown Facility, Inc. (Gym), located at 421 Laura Street, Jacksonville, Florida, during work hours; however, the investigation did not reveal criminal violations of time and attendance fraud. As a result, the OIG continued with the administrative investigation into secondary employment policy violations.

During the investigation, the OIG learned Petty and her husband Eric Petty (E. Petty), Operations Analyst, Shared Services, JEA, voluntarily managed the Gym. During a review of the Gym's bank records, the OIG discovered transfers of monies for payments to what appeared to be for Petty's personal credit card. In December of 2017, the OIG subpoenaed relevant records, which confirmed the transfers of monies from the Gym's bank account to Petty's personal credit card.

In February of 2018, the OIG referred this information to the JSO Integrity Unit for a criminal investigation for possible violations of Florida Statute, §812.014, Theft. In July of 2018, JSO concluded the criminal investigation, which **substantiated** the theft of Gym bank account funds by Petty. In August of 2018, pursuant to an arrest warrant, Petty surrendered herself to the Duval County Jail for violation of Florida Statute §812.014, Theft.

## **INVESTIGATIVE FINDINGS**

---

### **OIG RECORDS REVIEW**

The OIG reviewed various records, including applicable Florida Statutes; City of Jacksonville *Ordinance Code*; JEA policies and procedures; and other records, as highlighted below:

#### **Florida Statute**

**§812.014, Theft**, specifies in part:

*(1) A person commits theft if he or she knowingly obtains or uses, or endeavors to obtain or to use, the property of another with intent to, either temporarily or permanently:*

- (a) Deprive the other person of a right to the property or a benefit from the property.*
- (b) Appropriate the property to his or her own use or to the use of any person not entitled to the use of the property ...*

*(2)(c) It is grand theft of the third degree and a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084, if the property stolen is: ...*

- 1. Valued at \$300 or more, but less than \$5,000.*
- 2. Valued at \$5,000 or more, but less than \$10,000.*
- 3. Valued at \$10,000 or more, but less than \$20,000.*

**JEA Policies and Procedures and Records**

**Time and Attendance August 2010**, stated in part:

*A normal work schedule is five (5) days per week, Monday through Friday. Starting times range from 7 am to 9 am; ending times range from 4 pm to 6 pm. Deviations from established schedules should be approved in advance by the employee's next level supervisor...Appointed employees are expected to work the hours required to accomplish assigned responsibilities ... As a salaried employee, if an employee is at work any part of a day, then the employee is paid for the entire day.*

**Time and Attendance September 2016**, stated in part:

*A normal work schedule for an exempt Appointed/Managerial employee is a 40 hour work week. Appointed/Managerial employees are expected to establish a regular work schedule with their manager that is conducive to supporting the business area. Deviations from the established work schedule should be discussed and approved in advance with the employee's manager...Exempt Appointed/Managerial employees are expected to work the hours required to accomplish assigned responsibilities ... As a salaried employee, if an employee is at work any part of a day, then the employee is paid for the entire day.*

A review of Petty's time and attendance records for the period of September 19, 2016, through March 31, 2017, reflected Petty reported her work hours as Monday through Friday, and did not exceed 8-hours in any given workday.

**Secondary Employment 2013**, stated in part:

*Secondary employment refers to a second job held by a full time employee; This secondary employment includes contract, self-employment and part-time work...; Secondary employment includes....operating a business....voluntary employment in return for a benefit ... and employment that generates any taxable income on a W-2 form or a 1099 form ... ; and All fulltime employees have the responsibility for adhering to this policy and procedure.*

**Secondary Employment 2016** was updated to include a "Violation" section, which stated in part:

*Not reporting secondary employment or any violations of the Secondary Employment Directive may result in disciplinary action, up to an (sic) including termination and/or preventing rehire, if deemed appropriate.*

### **JEA Policy Acknowledgments, Approved Secondary Employment Lists and Other Related Records**

During the OIG investigation, JEA was unable to provide a copy of Petty's policy acknowledgment for the following JEA policies and procedures: *Time and Attendance 2010*, *Time and Attendance 2016*, *Secondary Employment 2013*, and *Secondary Employment 2016*.

Additionally, the OIG reviewed the JEA Secondary Employment List (effective August 28, 2017), which reflected JEA employees with approved secondary employment. Petty was *not* on this approved Secondary Employment List. However, in January of 2018, Petty had been approved for secondary employment as an Independent Consultant (for a skin care company) according to the JEA Secondary Employment List (effective April 12, 2018). JEA was unable to locate or provide any approved secondary employment forms for Petty prior to January of 2018.

A review of secondary employment records from the JEA Intranet (commonly referred to as the GRID) and Petty's JEA e-mail account revealed Petty submitted a LuLaRoe (a women's clothing company) secondary employment form for Director approval on or about February 23, 2017. On March 1, 2017, Petty was sent a rejection notification e-mail, which advised that Director Jane Upton, Customer and Community Engagement, rejected the LuLaRoe secondary employment form. A review of the *Workflow Status: Notification of Secondary Employment* dated October 25, 2017, shows the status as "in Progress."<sup>2</sup>

### **Review of Petty's Personal Facebook Accounts**

Facebook records reviewed during the investigation disclosed Petty maintained a page titled "*LuLaRoe Michelle Petty*." The page contained multiple pictures (with various dates) of Petty wearing and advertising LuLaRoe clothing (tops, dresses, skirts and leggings) and provided a personal e-mail address where customers could send direct inquiries regarding LuLaRoe to Petty. The Facebook page also disclosed Petty had been a fashion consultant with LuLaRoe since February of 2017 and contained a post, dated August 12, 2017, which stated in part, "Shop my inventory here ..."

Facebook records also disclosed Petty was an independent consultant for *Simply Natural Body Shoppe*, Petty's personal business.<sup>3</sup> The *Simply Natural Body Shoppe* Facebook page provided Petty's name as the point of contact and contained text and multiple pictures of Petty discussing her natural products. An online search also revealed that Petty operated the *simplynaturalbodyshoppe.com* website where Petty discussed her business as being a "natural, organic, vegan and gluten free company focusing on health and wellness from the inside out."

No approved secondary employment forms related to *Simply Natural Body Shoppe* were on file with JEA. Petty had been approved for secondary employment as an independent consultant in January of 2018; however, this request was for another skin care company and *not* her personal business known as *Simply Natural Body Shoppe*.

---

<sup>2</sup> Petty later testified she resubmitted the form. The OIG learned through testimony that due to a computer flaw, the form was never resubmitted back to the Director for approval and continued to remain "in Progress."

<sup>3</sup> This information was discovered subsequent to Petty's interview in October of 2017.

**JEA Fitness Association, Downtown Facility, Inc. (Gym)**

According to the Florida Department of State Division of Corporations records for the Gym, effective January 5, 2012, Eric G. Petty (E. Petty) was listed as the Vice President of the corporation. As of August 16, 2013, Eric G. Petty was listed as the President and Michelle R. Petty was listed as both the Registered Agent and Vice President. Per a review of the corporation's annual reports for 2017 and 2018, the Pettys were the only individuals associated with the corporation. As of August 14, 2018, the Pettys were still associated with the corporation.

The OIG was unable to locate the Gym's approved by-laws. However, attached to e-mail correspondence between E. Petty and another JEA employee in March of 2017, with a subject line of "*JEA Fitness Association Bylaws*," was an unsigned copy of by-laws noting an issue date of July of 2015, which listed Board Membership consisting of E. Petty (President) and Michelle Petty (Vice-President, Treasurer, and Secretary).<sup>4</sup>

The OIG reviewed GRID records available to all JEA employees and found numerous documents related to the Gym operations, which included in part Gym rules and membership application, a nutritional supplement order form, and a fitness class schedule (Boot Camp, Line Dancing, Spinning, Zumba, Insanity, and Yoga). The nutritional supplement order form provided instructions to the Gym members on how to purchase various supplements and advised the supplements could be picked up at the Gym.

A review of JEA access badge reports for Petty for the period of November 1, 2016 through March 27, 2017, reflected Petty used her JEA badge to access entry into the Gym and the women's locker room several times during the workday. The records reflected Petty spent approximately **68** hours during business hours (9:00 a.m. – 5:00 p.m.) at the Gym during this timeframe.

During the investigation, the OIG obtained and reviewed various records, which included miscellaneous Gym operational records and partial Gym bank account records dating back to 1991. A review of these records disclosed Petty had been the sole authorized signer, since approximately 2012, for the Gym's bank account maintained at Jax Metro Credit Union (Jax Metro), Jacksonville, Florida.

During the investigation Petty's legal counsel provided the OIG with the Gym's Jax Metro bank statements for the period October 1, 2016 to September 30, 2017. A review of the Gym's bank statements disclosed multiple withdrawals from various retailers and electronic payments made to Discover Card (Discover E-Payments). A total of **\$3,088.74** in electronic payments from the Gym account was sent to Discover Card. These electronic payments were transmitted to Discover Card as follows: December 27, 2016 (\$763.00); January 4, 2017 (\$831.62); January 17, 2017 (\$384.09); August 8, 2017 (\$338.23); and September 7, 2017 (\$771.80). The OIG issued a subpoena to Discover Card in December of 2017 because the bank statements did not conclusively identify the owner of the Discover Card.

---

<sup>4</sup> E. Petty testified this document was actually a draft in progress.

The OIG received the requested subpoenaed records from Discover Card in January of 2018 and concluded upon review that multiple electronic payments were made to Petty's Discover Card using funds from the Gym's bank account.<sup>5</sup> As a result of this discovery, the OIG referred the information to the JSO Integrity Unit for a criminal investigation for possible violation of §812.014, Theft.

### **TESTIMONY**

#### ***Statement of Sherry English, former Manager of Community Engagement, Customer and Community Engagement***

English supervised Petty from June of 2015 through March of 2017, when she (English) resigned from JEA. English explained Petty worked a flexible schedule, with the core hours Monday through Friday, approximately 8:30 a.m. to 4:30 p.m. Appointed employees were required to work 80 hours in a two-week period. English required her employees to track their daily activities on an Outlook calendar; however, Petty was not consistent with listing her activities. As a result, English found it was difficult to know what Petty was doing during her workday.

English explained to her knowledge Petty was never approved for any secondary employment. However, she was aware Petty was involved in several secondary employment ventures. She stated since January of 2017, Petty had sold LuLaRoe women's clothing (dress, skirts, capes, scarfs, etc.). English explained Petty would arrive at JEA with a large bag containing LuLaRoe clothing and female employees would try the clothes on in the women's restroom.

Additionally, in the past, Petty sold homemade soaps and holiday wreaths (Easter, Christmas, etc.) to co-workers during her work hours. She stated Petty would hang different wreaths on her office door and co-workers would stop by and if they liked the wreath, Petty would advise she could make them a wreath in various colors. For example, Petty made college football wreaths and sold them out of her office. English never observed Petty collect any money, but was adamant Petty was selling these items and was not giving them away.

English stated she never said anything to Petty because she was not aware of the Secondary Employment policy until February/March 2017.

English was aware that Petty and her husband, E. Petty, managed the gym as non-paid volunteers. She stated the management of the gym was not listed as part of Petty's job description and was not included in Petty's annual evaluation.

#### ***Statement of Voncea Fuller, Manager of Community Engagement, Customer and Community Engagement***

Fuller became Petty's supervisor in May of 2017, shortly after English resigned. She understood the JEA *Appointed Time and Attendance Policy 2016* specified appointed employees had to work a minimum of forty hours per week and were expected to work more hours in order to accomplish the job. Fuller stated since becoming Petty's supervisor, she had several

---

<sup>5</sup> In October of 2017, Petty testified under oath she had not used Gym funds for personal use.

conversations with Petty during one on one meetings (could not recall dates) regarding the importance of Petty arriving to work on time and not leaving work early without her knowledge. Prior to her becoming Petty's supervisor, Fuller was Petty's co-worker and was aware Petty would frequently arrive late to work and would leave work early.

Fuller was aware that Petty had several secondary employment ventures. Petty began selling LuLaRoe clothing at JEA, during her work hours, in February or March of 2017. She stated in March of 2017, while at JEA she (Fuller) purchased LuLaRoe clothing from Petty. Fuller explained co-workers would stop by Petty's office to view and purchase LuLaRoe clothing. She was aware Petty had submitted a secondary employment form related to LuLaRoe to Jane Upton, former Director, Community and Community Engagement, in March of 2017, which Upton rejected due to absence of information. However, she understood from Petty, that Petty had resubmitted the secondary employment form with the correct information. Fuller was unaware if the secondary employment form had been approved.

Fuller advised during the holidays, Petty would sell homemade holiday wreaths to co-workers during Petty's work hours. Petty also made and sold holiday wreaths as part of the annual United Way campaign silent auction, with proceeds going to the silent auction. However, Petty sold extra wreaths from the silent auction to JEA employees. Fuller stated Petty derived income from the sale of these extra or newly made wreaths. Additionally, Fuller was aware that between 2014 and 2016, Petty provided Mary Kay catalogs to co-workers and sold products at JEA during her work hours.

Fuller was a JEA Gym member and knew the Pettys managed the Gym. Fuller stated Petty told her she was a volunteer and did not get paid to "work" at the gym. Fuller stated if the Pettys received anything of value for managing the Gym, it may have been free gym memberships. She stated the management of the Gym was not listed as part of Petty's job description and was not included in Petty's annual evaluation.

***Statement of Jane Upton, former Director of Customer and Community Engagement, Customer and Community Engagement***

Upton stated Petty's work hours were flexible because she worked special events held sometimes at night or during the weekends. She recalled at least one conversation during which she and English discussed Petty coming in to work late and leaving work early. Upton was aware English had discussed this with Petty. However, nothing was in writing.

Upton stated in March of 2017, Petty submitted a secondary employment form for her review and approval as a LuLaRoe representative (selling women's clothing). However, she rejected the secondary employment form due to an error on the form related to the amount of time Petty would spend at JEA performing the secondary employment. Upton requested that Petty modify the form and resubmit the form to her. However, Upton never received an updated secondary employment form from Petty and assumed Petty failed to resubmit the secondary employment form. She stated she never approved Petty for *any* secondary employment.

Upton was aware Petty sold LuLaRoe clothing to co-workers while at JEA; however, she was unsure if it was during work hours, on a break, or during lunch. She never witnessed any direct sales by Petty to JEA employees. However, in March of 2017, she observed Petty in the women's restroom with two employees trying on LuLaRoe clothing.

Upton was also aware Petty sold holiday wreaths (Christmas, etc.) at JEA; however, she was unsure if it was during work hours, on a break, or during lunch. She stated if employees wanted to purchase items from Petty during their lunchtime or after hours, she was fine with that as long as it was not occurring during their work hours.

Upton was aware Petty managed the Gym during her JEA work hours. She opined the Gym was associated with JEA, but was owned by JEA employees. Upton stated the Gym was part of the JEA culture. She stated the management of the gym was not listed as part of Petty's job description and was not included in Petty's annual evaluation.

***Statement of Marisa Carbone, Manager of Multi-Media Productions, Customer and Community Engagement***

Carbone stated in 2014 (could not recall date) she purchased a holiday wreath from Petty. She explained that Petty made holiday wreath(s) as part of an online auction, which was part of a United Way campaign. Carbone paid Petty approximately \$35 to \$40 for the wreath with a personal check. She stated this transaction occurred during work hours in Petty's JEA office. Additionally, Carbone was aware that several years ago (could not recall date) Petty sold Mary Kay products at JEA.

Carbone stated in 2017 (could not recall date) she purchased two pieces of LuLaRoe clothing from Petty, totaling \$70 dollars, with a personal check. She stated this transaction occurred in Petty's JEA office and was during work hours.

Carbone explained that Petty would bring large baskets into JEA, full of LuLaRoe clothing and would have co-workers view the clothing and purchase the clothing from her while at JEA. She stated co-workers would "paw through" the baskets and tell Petty which items they wanted to purchase. Carbone stated Petty had a "captive audience" and "we were buying."

Carbone was a member of the JEA Gym. She was aware JEA provided the space for the Gym and opined the Gym was sanctioned by JEA. Carbone stated Petty and her husband E. Petty managed the Gym, but she was unaware if Petty received monetary payment for managing the Gym.

***Statement of Joy Gutos, Manager of Internal Communications, Customer and Community Engagement***

Gutos stated Petty began selling LuLaRoe clothing during work hours at JEA in either February or March of 2017. Gutos stated in April of 2017, after viewing Petty's LuLaRoe Facebook page, she asked Petty to bring several LuLaRoe dresses to JEA so she could try them on during her lunch break. While she and a co-worker (now former JEA employee) were trying on LuLaRoe

dresses in the women's restroom, Petty came into the women's restroom. Shortly thereafter, Upton also came into the women's restroom and observed the three employees with the dresses. Upton was not happy they were trying dresses on in the restroom. After this incident, she asked Petty to bring LuLaRoe clothing to her at JEA and she would try the clothes on at home. She would notify Petty the next day which items she wanted to purchase.

Gutos stated she purchased nine LuLaRoe clothing items (i.e. skirts and tops) from Petty during work hours at JEA. Petty used her personal cell phone to collect payment and complete the sales transaction. Gutos stated she was aware other co-workers had purchased LuLaRoe clothing from Petty.

Gutos also purchased Mary Kay products from Petty between 2007 and 2015. She stated Petty provided Mary Kay catalogs to co-workers and would take orders from co-workers. Gutos stated she would tell Petty what items she wanted to purchase and the sales transactions would take place at JEA during work hours, similar to the LuLaRoe sales.

Gutos stated Petty made holiday wreaths for the JEA vendor fairs held each year to benefit the United Way campaign. In 2015, Gutos purchased a collegiate football wreath from Petty during a vendor fair. In 2016, after a vendor fair, she purchased a fall wreath from Petty in Petty's JEA office, using her personal debit card. Gutos stated this wreath was left over from the vendor fair.

Gutos held a Gym membership since 1999. Gym membership dues were deducted through payroll. JEA provided the Gym facility and considered the Gym part of the JEA Wellness Program. Gutos stated Petty and her husband E. Petty had managed the Gym for the past five years. She was unaware if Petty received any type of monetary compensation for managing the Gym.

***Statement of Ruth Ann Moody, Office Support Associate, Systems Protection and Control, Electric Transmission and Substation and Maintenance***

Moody stated between February of 2016 and May of 2017, she (Moody) had approved secondary employment, as a LuLaRoe representative and she was Petty's LuLaRoe clothing sponsor. Petty had been a LuLaRoe representative since February of 2017 and to Moody's knowledge Petty was a current active LuLaRoe representative. She was unaware if Petty was approved for secondary employment through JEA. She was aware that several of Petty's co-workers were members of Petty's private LuLaRoe Facebook page and had purchased LuLaRoe clothing from Petty. Moody was unaware if Petty sold LuLaRoe clothing at JEA.

Moody was aware Petty and E. Petty managed the Gym and knew membership dues were payroll deducted from employee's paychecks. She was unaware if the Pettys received any monetary compensation for managing the Gym.

***Statement of Charlene West, Benefits Associate, Employee Benefits, Human Resources***

West stated the Gym *was not* part of the JEA Wellness Program; however, the Gym was a JEA-sanctioned activity. JEA employees registered for the Gym and paid membership dues through

payroll deduction. She stated multiple JEA employees had managed the Gym over the years, on a voluntary basis. Currently, E. Petty and his wife Petty managed the Gym, as non-paid volunteers. She advised that information regarding the Gym could be found on the JEA website under Employee Benefits and was available to all employees. However, she reiterated it *was not* part of the JEA Wellness Program.

***Statement of Pat Maillis, Director of Employee Services, Human Resources***

Maillis stated the Gym was an employee-operated organization. She considered the Gym to be a JEA sanctioned activity, as JEA allowed the Gym to operate in its facility, but stated that JEA had no oversight over Gym operations. JEA Employee Services did not manage the Gym, and the Gym was *not* part of the JEA Wellness Program, stating, “it was a stand-alone program.” She confirmed membership dues were paid through JEA payroll deduction.

Petty, and his wife, M. Petty managed the Gym. The Pettys were volunteers and did not receive any monetary compensation to manage the Gym. Maillis was unaware of a written contract or agreement between JEA and the Pettys regarding the management of the Gym.

Maillis stated she was familiar with the JEA Secondary Employment Policy, which required JEA employees to submit a secondary employment form for approval. She also stated secondary employment should not be performed during JEA work hours and JEA employees should not utilize JEA resources for their secondary employment.

It was Maillis’ opinion that JEA management considered the management of the Gym by the Pettys, as an extension of their job duties at JEA. She stated there was an “informal expectation” from JEA management that the Pettys manage the Gym. She stated JEA had allowed the Pettys to perform their Gym duties during JEA work hours because it was a service to the employees. However, the management of the Gym was not reflected in their job descriptions or annual evaluations. Maillis stated if the Pettys were receiving a benefit such as free gym memberships, Employee Services may view this as a violation of the JEA *Secondary Employment Policy*.

***Statement of John “Mike” Hale, former Business Analyst, Business Analysis Services***

As part of his job duties, Hale assisted in the creation of the secondary employment form found on the GRID. He stated JEA employees would complete the secondary employment form and submit it electronically to their Director for approval, and then it would be forwarded to the Ethics Officer for approval. He stated the employee should receive an e-mail from their Director advising if the secondary employment form had been approved or denied. In the event the secondary employment form was rejected, the employee could resubmit the form for approval.

During his interview, Hale accessed the GRID, reviewed Petty’s secondary employment records and noted the secondary employment form for LuLaRoe was “still in progress.” Further, the GRID records reflected Petty submitted the LuLaRoe secondary employment on February 23, 2017, and the form was rejected by Upton on March 1, 2017. Based on Hale’s review of the GRID records subsequent to the interview, Hale determined that on or about March 13, 2017,

Petty modified the February 23, 2017, secondary employment form; however, Hale could not confirm that this form had been resubmitted to Upton.

According to Hale, the Gym was created in the 1990s, by former JEA employees and was an employee-owned and operated Gym. JEA did not have any oversight at the Gym. JEA sanctioned the Gym and was part of the JEA Wellness Program.

For approximately two years, Hale was part of the committee that managed the Gym. He identified the other committee members as E. Petty and Petty (approximately four years) and one other JEA employee (approximately one year). Gym members would contact the committee members with questions, and or issues related to the Gym. The committee members were volunteers and did not receive any monetary compensation. Furthermore, he stated to his knowledge, the committee members did not receive any type of benefit for managing the Gym, including free gym memberships. Hale stated he paid for his gym membership.

Petty handled the Gym finances and the Jax Metro bank account. Gym membership dues were deposited in the Jax Metro bank account and used to purchase and repair gym equipment and for Gym related expenses such as gym towels and carpet cleaning.

***Statement of Angelia Hiers, Chief Human Resources Officer***

Chief Hiers stated the Gym was an employee-operated Gym managed by JEA employees on a voluntary basis. JEA provided the Gym facility as a benefit to JEA employees and considered the Gym part of the JEA Wellness Program. JEA encouraged employees to be physically active, “fit, and healthy.” Gym activity was considered a “JEA-sanctioned” activity. JEA employees who wanted to become gym members paid membership dues through JEA payroll deduction.

Chief Hiers stated E. Petty and Petty currently managed the Gym. The Pettys were strictly volunteers and did not receive any monetary compensation to manage the Gym. She stated there was no written contract or agreement between the Pettys and JEA. Chief Hiers was unaware if the Pettys were compensated in any other manner, including free gym memberships.

Chief Hiers stated she did not consider the Pettys to be in violation of the JEA *Secondary Employment Policy* because the Gym was considered part of the JEA Wellness Program and a JEA-sanctioned activity. However, in accordance with the JEA *Secondary Employment Policy*, if the Pettys (as volunteers) received something of benefit (i.e. free gym membership), they would be in violation for failing to submit and obtain approval for secondary employment. The duties relating to the management of the Gym were not included in either of the Petty’s job descriptions or annual evaluations. However, it was JEA’s position the Pettys were managing the Gym as part of their JEA job duties.

***Statement of Michelle Petty, Community Engagement Associate, Customer and Community Engagement***

Petty had been employed with JEA since October of 2006 and had been in her current position since approximately 2015. While being in her current position, Petty’s supervisors were English

from June of 2015 to March of 2017 and Fuller since March of 2017. Her job duties included assisting JEA Community Engagement Coordinators, and she had flexible work hours. In general, she worked an eight-hour day Monday through Friday, and she arrived to work between 8:00 a.m. and 9:00 a.m. and departed between 5:00 p.m. and 6:00 p.m. Petty maintained an Outlook calendar which had all of her internal and external meetings, events, etc. She stated English and Fuller would be able to view her calendar and see where she was at any time.

Petty last read the JEA *Secondary Employment Policy* in early 2017. Since February of 2017, she had secondary employment as a LuLaRoe fashion consultant. Petty stated in early 2017 she submitted a secondary employment form to Director Upton regarding her secondary employment with LuLaRoe. Upton denied Petty's secondary employment form because Petty had entered a "1" instead of a "0" in response to the question: "*How many hours per week do you expect to work during the business day?*" She understood the question to mean how many hours a day would you be working on the secondary employment rather than how many hours during the workday at JEA would you be working on secondary employment. Petty stated she corrected the secondary employment form and resubmitted the form to Upton. Petty was under the impression her secondary employment had been approved.

She stated she adhered to the requirements of the JEA *Secondary Employment Policy* by submitting a secondary employment form through the GRID to Upton for review and approval. She reiterated she did her "job" and submitted the form for approval (twice). However, she did not follow up with Upton. She further stated Upton, English, and Fuller never told her the LuLaRoe secondary employment form had not been approved and that she should not be selling LuLaRoe.

She admitted she sold LuLaRoe clothing to co-workers at JEA during her work hours (could not recall dates). She stated she used a square credit card device on her personal cell phone to complete the financial transactions while in her JEA office. Petty stated these financial transactions occurred during her lunch hour. Petty further explained when co-workers purchased items through her LuLaRoe Facebook page she would bring the LuLaRoe clothing to JEA and provide the clothing to the respective buyers. She stated she did not have permission to sell LuLaRoe clothing at JEA during work hours. Petty stated all of her supervisors were aware she sold LuLaRoe clothing.

During the last three or four years, she made holiday wreaths for the United Way Charity Auction. She stated 100% of the silent auction proceeds went to charity. None of the money from the silent auction wreath sales went to her. However, on occasion, an employee would ask her to make a wreath. She stated she only charged the employee the cost of the materials, which amounted to approximately \$35. She recalled in 2016 she made and "sold" a Halloween wreath to Carbone and conducted the financial transaction during her work hours. Petty also made collegiate football wreaths for the silent auction in the past; however, she could not recall if she made or sold any of these wreaths to any co-workers.

For fifteen years (between 2000 and 2015) she was a Mary Kay sales consultant. She stated she may have sold one Mary Kay item every quarter to friends from church and acquaintances. She stated several co-workers had purchased Mary Kay products from her, but all sales were done

outside of JEA. Petty stated she did *not* sell any Mary Kay products at JEA. She did not consider this a business, as she did not make any money and stopped selling Mary Kay products in 2015. She opined selling Mary Kay products once a quarter was not the same as “selling” Mary Kay.

In 2013, she began making her own homemade deodorant, soaps, and lotions and never sold these items while at JEA or outside of JEA. Petty made the homemade soaps and lotions as presents to co-workers and friends at Christmas.

She stated she did not submit a secondary employment form to JEA for the holiday wreaths, Mary Kay products, or the homemade items because she was not selling them to make money.

Petty stated she and her husband E. Petty “managed” the Gym. She explained when she began employment at JEA eleven years ago two former JEA employees managed the employee-owned and operated Gym. She understood the Gym was established in 1991. Petty stated a corporation (JEA Fitness Association, Downtown Facility, Inc.) was created years ago before she and E. Petty took over the management of the Gym. She explained the two former JEA employees created this corporation because the Gym was a separate entity from JEA. She stated when she and E. Petty took over managing the Gym they continued the corporation and added themselves as officers of the corporation in 2013.

In 2011, when one of the former employees who managed the Gym began planning his retirement from JEA, he asked her to assist with the Gym financial records, to include writing monthly checks to fitness instructors, etc. Petty was added to the Jax Metro bank account in 2011. She and E. Petty took over the management of the Gym in 2012. She and her husband continued to operate the Gym the way it had been operated for years under the prior managers.

Petty stated they recruited a few other gym members to form a committee in order to manage the Gym operations. One of the committee members was Hale. She stated they (she and E. Petty) tried to keep the management of the Gym as transparent as possible.

She explained the Gym’s bank account was used for all Gym expenses, including but not limited to the purchase and repair of gym equipment, remodeling of the Gym, the purchase of gym towels and a washer and dryer, and the purchase of other miscellaneous items needed for Gym operations. She confirmed she was the sole signatory on the Gym’s bank account.

Petty stated JEA was not involved in Gym operations. JEA did not provide any assistance regarding the operations of the Gym, as the Gym was separate from JEA and was employee-owned and operated. She stated the Gym was a JEA-sanctioned activity, JEA promoted the Gym, and she opined the Gym was part of JEA’s Wellness Program, as a wellness benefit.

Petty stated she and her husband were unpaid volunteers and were *not* monetarily or otherwise compensated to manage the Gym. However, Petty stated she and E. Petty did *not* pay for gym memberships. She did not consider the Gym to be secondary employment because they were unpaid volunteers. However, Petty was aware Hale paid for his gym membership dues. She

stated many years ago under the former Gym managers, any gym member who “helped” with the Gym did not have to pay for gym membership.

Petty testified neither she nor E. Petty had ever used any money from the Gym bank account to purchase any personal items not relating to Gym operations.

## CONCLUSION

---

Based upon records reviewed and statements obtained during this investigation, the allegation that Petty may not be working her required hours was **unsubstantiated**. The OIG investigation concluded Petty’s position as Community Engagement Associate required a flexible work schedule. Additionally, Petty’s responsibilities related to the management of the Gym were not included in her job specifications; therefore, there was no accountability to any one specific JEA manager related to the time Petty spent during her work hours managing the Gym.

Further, the JEA Chief Human Resources Officer testified in a prior investigation<sup>6</sup> that the time and attendance system is more a “pay mechanism” and not a timekeeping system. All appointed employees were required to reflect an eight-hour workday, regardless of any hours worked in excess of an eight-hour day or any work performed outside the workweek, such as on weekends.

The OIG investigation **substantiated** through testimony, including Petty’s own admission, the allegation that Petty sold LuLaRoe clothing during her work hours. The investigation determined Petty sold woman’s clothing and collected payment from JEA co-workers in her office during March and April of 2017. Petty became affiliated with LuLaRoe in January of 2017. Additionally, Petty admitted she sold and collected payment (for the cost of materials) for holiday wreaths from JEA co-workers in her office on at least 3 occasions during 2014, 2015, and 2016. Further, per witness testimony, Petty sold Mary Kay products and collected payment from JEA co-workers in her office between 2007 and 2015.

Based on the records reviewed and Petty’s own admissions, the OIG investigation **substantiated** that Petty violated the JEA *Secondary Employment Policy (effective 2013 and 2016)*<sup>7</sup>. No approved secondary employment form was on file with JEA relating to LuLaRoe. However, records and Petty’s own testimony revealed Petty submitted a secondary employment form for LuLaRoe that was rejected by a Director. Petty resubmitted the form and due to a system error the form was never finalized. However, the investigation concluded Petty never followed up with the Director on the status of the form. As a result, Petty’s secondary employment as a LuLaRoe consultant was never formally approved by JEA.

The investigation determined no approved secondary employment forms were on file with JEA relating to Mary Kay or the selling holiday wreaths. In addition, in January of 2018, Petty had been approved for secondary employment as an independent consultant; however, this request was for a different skin care company and **not** her personal business known as *Simply Natural Body Shoppe*. Petty did not consider the selling of holiday wreaths and Mary Kay products as secondary employment because she was not selling them to make money.

---

<sup>6</sup> OIG Report of Investigation 2017-0007.

<sup>7</sup> The OIG investigation reviewed only policy versions dating back to 2013.

Per Petty's own admission, neither she nor her husband, while volunteering to manage the Gym, paid for Gym membership dues. Based on testimony and records, membership dues were \$5.00 per pay period. The investigation concluded Petty had not paid dues for the calendar years 2012<sup>8</sup>, up through at least the time of her interview in October of 2017. Annually, Gym membership dues were \$130 (\$5 times 26 pay periods). The estimated amount Petty benefited as a result of not paying Gym membership dues was **\$755**.

The investigation disclosed Petty was the only authorized signatory on the Gym's bank account. The OIG investigation also determined Petty used Gym bank account monies to make payments against her Discover Card. The JSO Integrity Unit's criminal investigation **substantiated** that Petty used funds derived from the Gym's Jax Metro Credit Union bank account for personal use. The OIG determined Petty falsely testified under oath that she did *not* use any funds retained in the Gym's Jax Metro Credit Union bank account for personal use.

On August 3, 2018, pursuant to an arrest warrant, Petty self-surrendered to the Duval County Jail for violation of Florida Statute §812.014, Theft.

Finally, the investigation concluded that within JEA there is an inconsistent understanding by both JEA managers and employees as to whether the Gym is part of the JEA Wellness Program and whether the activities associated with managing the Gym are considered official duties. Additionally, because of this inconsistency it is unclear whether JEA deems the value of the unpaid gym membership to be in violation of JEA's *Secondary Employment Policy*.

## **ADDITIONAL INVESTIGATIVE FINDING**

---

During the OIG's review of the initial allegations, the OIG discovered Petty used JEA resources including computer, scanner, and e-mail account for secondary employment and personal use in violation of the JEA's *Acceptable Use Policy*, revised January 13, 2016.

## **GOVERNING DIRECTIVES**

---

### ***COJ Ordinance Code***

- § 601.101, *Use of Public Property*

### ***JEA Policy and Procedure***

- *JEA Corporate Policy: TS B0010 IS 002* revised January 13, 2016, *Acceptable Use Policy (Acceptable Use Policy 2016)*

---

<sup>8</sup> Petty testified she and her husband became managers of the Gym in 2012.

**OIG RECORDS REVIEW****COJ Ordinance Code**

**§601.101, Use of Public Property**, specifies in part:

*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.*

**JEA Acceptable Use Policy and Records**

**Acceptable Use Policy 2016 (current policy)** related to ... “*all Information and Communications Technology and services provided by JEA including, but not limited to, computers, laptops, printers, copiers, faxes, emails ...*” specifies in part:

*5.3 Every worker at JEA is required to sign a document stating that:*  
*5.3.1 they have received and read, or seen and read a copy of this policy,*  
*5.3.2 they are aware of their responsibilities under this policy and,*  
*5.3.3 it is their intention to comply with the requirements set forth in this policy.*

*6.1 General Use and Ownership, 6.1.2 All ICT (Information and Communications Technology) resources, systems and services are the property of JEA. These include but are not limited to... all components of the electronic communications...and any electronic communications address, number, account, or other identifiers associated with JEA. These systems are to be used for business purposes ...;*

*6.3 Internet, 6.3.4 Users shall not solicit e-mails that are unrelated to business activity or which are for personal gain ...;*

*6.4 Electronic Messaging, 6.4.1. As a productivity enhancement tool, JEA encourages the business use of electronic communications, specifically, electronic mail, and instant messaging ...;*

*6.4.6 Users are forbidden from using JEA electronic messaging systems for private business activities...the operation of a personal or a non-JEA business or for any undertaking for personal gain ...;*

*6.4.7 Excessive personal use may result in disciplinary action, including but not limited to the loss of email privileges and/or termination ...;*

*6.4.12 Do not use company provided email addresses for any activity that is not explicitly business related including merchants ...;*

*7.0 Authorized Usage, 7.1 Use of corporate resources, including electronic messaging, should never create either the appearance or the reality of inappropriate use ...; and*

*11.0 Enforcement, 11.2 Any employee found to have violated this procedure may be subject to disciplinary action, up to and including termination of employment ...*

JEA training records reflected Petty had attended and completed General Information Security Awareness training in March of 2016 and 2017, which included a review of the JEA *Acceptable Use Policy 2016*. JEA was unable to provide a copy of Petty's policy acknowledgment for *Acceptable Use Policy 2016*, per section 5.3.

### ***Review of Petty's JEA E-mail Account***

The OIG reviewed Petty's JEA e-mail account for the period November 1, 2016 through March 28, 2017.<sup>9</sup> The OIG discovered Petty sent and/or received approximately **183** e-mails from her JEA e-mail account containing topics or attachments that appeared to be personal in nature, as briefly outlined below:

- LuLaRoe policy and procedures and business plan
- Xfinity
- Exploria Resorts
- Lands' End
- Amazon
- Progressive Pediatrics
- Allstate Insurance
- Horizon Promotional Products

The OIG review also found Petty used the JEA scanner to scan and attach various documents on multiple occasions, in order to send some of the above mentioned e-mails. These documents included:

- Volunteer registration form to sell LuLaRoe at an elementary school
- Petty's Florida driver's license
- Order form to purchase business card magnets (non-JEA related)
- Sheet music (non-JEA related)

---

<sup>9</sup> The OIG review did not include any of Petty's e-mails outside of this timeframe.

**TESTIMONY*****Statement of Angelia Hiers, Chief Human Resources Officer***

Chief Hiers stated JEA employees could use their JEA e-mail accounts for personal use (non-JEA related business) as long as the amount of time was “de minimis” or limited. She stated if the personal e-mail use was to the point where it disrupted an employee’s productivity, then it would be an issue. Chief Hiers stated employees should not be using their JEA e-mail as their own personal e-mail address (account) to receive e-mails from outside vendors, merchandisers, social media, etc.

Chief Hiers stated Petty and E. Petty could use their JEA e-mail accounts to engage in Gym business because the Gym was a JEA-sanctioned function. She stated Gym related e-mails would provide JEA employees the ability to become Gym members, be aware of the Gym rules, order nutritional supplements, and be kept apprised of Gym activities, etc.

***Statement of Sherry English, former Manager of Community Engagement, Customer and Community Engagement***

English was aware Petty used her JEA e-mail account for Gym business. English stated per the JEA *Acceptable Use Policy 2016*, Petty should not have used or given her JEA e-mail account to any non-JEA-related entity.

***Statement of Voncea Fuller, Manager of Community Engagement, Customer and Community Engagement***

Fuller stated per the JEA *Acceptable Use Policy 2016*, JEA electronic resources (e-mail, Internet, photocopier, computer, etc.) should only be used for business purposes and should not be used for personal use. Fuller stated she was unaware Petty had used her JEA e-mail account and the JEA scanner for personal use. She had not given Petty permission to use JEA resources for personal use.

***Statement of Jane Upton, former Director of Customer and Community Engagement, Customer and Community Engagement***

Upton understood per the JEA *Acceptable Use Policy 2016*, employees could use JEA electronic resources as long as it was for minimum personal use and not excessive. Upton was unaware Petty used her JEA e-mail account to conduct business for the Gym or “excessive” personal use. She stated any e-mails related to Gym access for JEA employees (Gym members) she believed was “okay” as security would have had to have authorized badge access for employees to access the Gym. However, Upton never gave Petty permission to use JEA e-mail for secondary employment (LuLaRoe) and/or non-JEA business related e-mails. She opined this would be a violation of the JEA *Acceptable Use Policy 2016*.

Upton stated Petty should have been aware of the JEA *Acceptable Use Policy 2016* because it was included in new employee orientation training, annual ethics training, and also in the JEA

Employee Services newsletter (*Currents*) e-mailed to employees. Upton opined Petty should only have e-mails in her JEA e-mail account from companies doing business with JEA.

***Statement of Pat Maillis, Director of Employee Services, Human Resources***

Maillis stated per the JEA *Acceptable Use Policy 2016*, employees could use JEA resources to include their JEA e-mail account for a “reasonable amount” or “limited” personal use. She stated if an employee wanted to send an e-mail to a spouse or other individual they could do so, on a limited basis. Maillis opined if an employee had used their JEA e-mail account for “excessive” personal use then that employee should be counselled. Maillis stated Petty should not have used the JEA copier and/or Petty’s JEA e-mail account for secondary employment purposes. She stated annual training was conducted each year in the spring and included a review of the JEA *Acceptable Use Policy 2016*.

***Statement of Michelle Petty, Community Engagement Associate, Customer and Community Engagement***

Petty stated she was aware of the JEA *Acceptable Use Policy 2016* relating to the use of electronic resources (e-mail, Internet, photocopier, etc.). However, she was unsure if she had ever read the JEA *Acceptable Use Policy 2016*. She stated she may have seen or read a portion of the JEA *Acceptable Use Policy 2016* during the annual ethics training. She participated in several annual online training courses which included the General Information Security Awareness training in 2016 (completed on March 3, 2016) and 2017 (completed on March 13, 2017). Both courses included the JEA *Acceptable Use Policy 2016*.

Petty reviewed **183** e-mails from her JEA e-mail account. Included in these e-mails were multiple scanned documents. She admitted she used her JEA e-mail account for personal use, but did not consider it excessive. Petty stated individuals would sometimes send her unsolicited e-mails. She stated her understanding of the JEA *Acceptable Use Policy 2016* was that JEA employees could use the JEA Internet and JEA e-mail account for limited personal use, as long as it did not take up too much time and JEA resources. Petty stated she used her JEA e-mail account for Gym operations and limited personal use (i.e. LuLaRoe Policies and Procedures, LuLaRoe business plan.) She stated she e-mailed the LuLaRoe policies and procedures and LuLaRoe business plan to E. Petty’s JEA e-mail account from her JEA e-mail account but stated this was done in error.

Petty stated the JEA photocopier/scanner was for JEA business purposes only. However, Petty admitted she used the JEA photocopier for personal use one to two times every two or three months (i.e. scanned documents to doctors, etc.). She opined it was not costing JEA any money because she was scanning personal records to her JEA e-mail account. She stated she did not have a photocopier at home and that was why she used the JEA photocopier. Petty stated she never asked permission to use the JEA photocopier for personal use.

Petty stated there had been occasions in the past when doctor offices would request a fax number from her in order to fax medical records to her. She stated she did not have a fax machine at

home and would provide her JEA fax number in order to receive these records. She assumed “as long as she was not doing it for hours on end” it was okay.

## CONCLUSION

---

Based on Petty’s own admission, Petty was aware of and stated she had received training related to the *JEA Acceptable Use Policy 2016* in 2016 and 2017. Petty admitted to utilizing JEA electronic resources (e-mail account and scanner) without permission for personal use and for her secondary employment (LuLaRoe). However, Petty stated she did not believe the use of her JEA e-mail account was excessive. Petty admitted she used her JEA e-mail for Gym operations, but considered this a JEA-sanctioned activity.

The OIG found during its limited review that Petty sent and/or received approximately **183** e-mails from her JEA e-mail account that appeared to be personal in nature, during November 1, 2016 through March 28, 2017. The OIG **substantiated** that Petty used JEA resources including computer, scanner and e-mail account for secondary employment and personal use in violation of JEA’s *Acceptable Use Policy 2016*. The OIG notes the *JEA Acceptable Use Policy 2016* does not adequately define “limited personal use” and that it is not clearly understood by both JEA managers and employees.

## ADDITIONAL INFORMATION

---

During the review of Gym records, the OIG found a copy of JEA’s Florida Department of Revenue *Consumer’s Certificate for Exemption* in the name of “JEA” effective February 6, 2003 through February 6, 2008, with “Municipal Government” listed under the Exemption Category. Additionally, a review of both Petty and E. Petty JEA e-mail accounts disclosed that several Gym invoices dated between December of 2016 and March of 2017 (for purchases of gym equipment and for a private cleaning company) *did not* include Florida sales tax in the total amount billed to the Gym.

During the investigation, E. Petty provided Gym records and stated the Gym had been using JEA’s *Consumer’s Certificate for Exemption* for many years prior to him and Petty taking over management of the Gym. E. Petty stated he found the JEA *Consumer’s Certificate for Exemption* being used for Gym operations on the GRID.

During the investigation, the OIG located a copy of JEA’s Florida Department of Revenue *Consumer’s Certificate for Exemption* effective February 29, 2013 through February 28, 2018, in the name of “Jacksonville Electric Authority Inc.” with “Municipal Government” listed under the Exemption Category on the Internet.

**TESTIMONY*****Statement of Angelia Hiers, Chief Human Resources Officer***

Chief Hiers adamantly stated she was unaware the Pettys had used JEA's Florida Department of Revenue *Consumer's Certificate for Exemption* for Gym operations, as the Gym was not officially part of JEA. She further stated that the Pettys should not have been using JEA's tax exemption for Gym operations.

Subsequent to Chief Hiers interview, OIG requested Chief Hiers to provide follow up information regarding the use of JEA's *Consumer's Certificate for Exemption*. Chief Hiers advised it was JEA's position the Pettys could use the JEA's *Consumer's Certificate for Exemption* for Gym operations in order to purchase gym equipment and pay for carpet cleaning, etc., because the Gym was considered a JEA-sanctioned function. However, Chief Hiers did not provide anything in writing or provide a policy to support JEA's position.

***Statement of Eric Petty, Operations Analyst, Facilities, Shared Services***

E. Petty confirmed they (the Pettys) used JEA's *Consumer's Certificate for Exemption* number when the Gym purchased large gym equipment. The Gym's former manager had used the JEA's *Consumer's Certificate for Exemption* number for the Gym and he (E. Petty) had continued this practice. He stated the former Gym manager told him (could not recall date) the Gym was "covered" under the JEA's *Consumer's Certificate for Exemption* number.

***Statement of Michelle Petty, Community Engagement Associate, Customer and Community Engagement***

Petty stated she was unsure if they (the Pettys) had ever used the JEA's *Consumer's Certificate for Exemption* number for gym purchases. However, she was aware the Gym received a government discount for the purchase of gym equipment because of the Gym's government affiliation. She stated it was a "gray area" as the Gym was a benefit for JEA employees and was a JEA-sanctioned activity. Petty stated she never presented the JEA's *Consumer's Certificate for Exemption* number to anyone. However, if they did use the JEA's *Consumer's Certificate for Exemption* it was not intentional and was done because they did not know better. She stated neither she nor E. Petty ever went to JEA and asked permission to use the JEA *Consumer's Certificate for Exemption* for Gym purchases.

**CONCLUSION**

---

The investigation concluded JEA's *Consumer's Certificate for Exemption* was used for Gym operations. This practice had been ongoing since prior to the Pettys assuming management of the Gym in approximately 2012.

---

**RECOMMENDED CORRECTIVE ACTIONS**

The OIG recommends the following corrective actions:

1. Review and update JEA's *Secondary Employment Policy* and *Acceptable Use Policy* to incorporate an employee acknowledgment section. The policy revisions should include a process to require and retain the employee acknowledgement forms. Additionally, provide copies of the updated policies and verification the policies have been reissued and acknowledged by JEA employees, including all levels of management.
2. Review and update the JEA Notification of Secondary Employment on-line form to include date fields for all actions, including approval and/or rejection by JEA management. Provide the OIG with a copy of the updated form.
3. Review and update the JEA *Acceptable Use Policy* to ensure that "limited personal use" is clearly outlined, in that JEA-owned resources may be used for personal purposes on a limited basis, to include providing limitations, for example: no additional cost to JEA is incurred; no interference with work duties and assignment; no disruption to the workplace; and supervisor is aware and approves of the "limited personal use." Provide the OIG with written verification of any updates.
4. The OIG recognizes the employee-owned gyms located in multiple JEA facilities are a benefit to JEA employees. However, the investigation determined that management has no direct oversight or supervision of the activities and time dedicated to the management of the gyms by JEA employees. Review and determine if the employee-owned gyms located in multiple JEA facilities should continue to be managed by volunteer JEA employees absent any accountability or oversight of JEA. Advise OIG any decision concerning future gym operations.
5. Please advise the OIG if any personnel action(s) (including all outcomes) are taken as a result of this investigation.

**IDENTIFIED, QUESTIONED, AND AVOIDABLE COSTS**

**Identified Costs:** N/A

**Questioned Costs:** N/A

**Avoidable Costs:** N/A

Identified Costs is defined as losses from disbursements or activities associated with fraudulent or negligent activity, or mismanagement, which have a substantial likelihood of recovery. Identified costs are those associated with disbursement or activities of the Consolidated Government.

Although both the OIG administrative and the JSO criminal investigations identified theft of funds, which totaled **\$11,985.73**, these funds were derived from the JEA Fitness Association, Downtown Facility, Inc., (Gym) and are not related to disbursements or activities associated with the Consolidated Government.

**PETTY'S RESPONSE**

On September 24, 2018, the OIG mailed a copy of the draft Report of Investigation to Petty's residential address on file with JEA. Petty was provided the opportunity to submit a written explanation or rebuttal to the findings in the draft Report of Investigation, due on or before October 5, 2018. On October 4, 2018, Petty submitted a written response. Petty's response is attached in its entirety to this report.

**MANAGEMENT COMMENTS AND CORRECTIVE ACTIONS**

On September 24, 2018, the President and Chief Operating Officer, JEA, was provided the opportunity to submit a written explanation or rebuttal to the findings in the draft Report of Investigation within twenty-one (21) calendar days, due on or before October 15, 2018. JEA management subsequently requested and was granted an extension, with a response then due on October 17, 2018. On October 16, 2018, a written response dated October 17, 2018, was received from the Vice President and Chief Compliance Officer, JEA. The response is attached in its entirety to this report.

Based on the response, JEA has implemented various corrective actions, including policy revisions and technological changes to improve internal controls. Additionally, on October 16, 2018, JEA Management advised that personnel action is forthcoming.

**Attachments:**

- Petty's Response, dated October 4, 2018
- Management's Response, dated October 17, 2018

cc: IG Distribution 2017-0009

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

October 4, 2018

Lisa A Green  
Inspector General  
Office of Inspector General  
City of Jacksonville  
PO Box 43586  
Jacksonville, FL 32203

Subject: OIG Investigation Case File 2017-0009

Dear Ms. Green,

In regard to the referenced report, I have been a dedicated employee of JEA for nearly 12 years and have served faithfully and wholeheartedly. The JEA Fitness Association was formed in 1991 by JEA and employees. I volunteered to start helping with the gym 7 years ago and took it over from previous management in 2012. We picked up and continued running it in the same manner in which it had been run the 20 years prior.

In February 2017, I submitted a secondary employment form for my affiliation with the clothing line, LuLaRoe. I was asked to correct one part, so I made the correction and resubmitted it. It then got hung up in the system somewhere. I assumed I had done what I needed to do and continued on. The secondary employment policy states that "JEA requires that all full-time employees inform JEA of any secondary employment. Prior approval of secondary employment is recommended but not required." I had notified them, I didn't think any further action was required.

In January 2018, I became affiliated with a nutrition and skincare company. I submitted the secondary employment form and it was approved by my director and the ethics officer. My FB business name for that business was Simply Natural Body Shoppe, but the products I was selling were for the nutrition and skincare company. I have never sold any of my homemade soaps or lotions, they have only been for personal use or gifts for co-workers and teachers.

I made a lot of homemade items for the JEA fundraising activities for United Way and Community Health Charities. Wreaths were one of those things. Occasionally people would see one of my wreaths and want me to make another one, so I would. I simply charged them the cost of the materials. I did not make a profit nor was I in the wreath making business.

JEA's acceptable use policy allows employees to occasionally use JEA equipment and resources for personal use. The amount that I used was well within the scope of acceptable use.

Respectfully,  
Michelle Petty

21 West Church Street  
Jacksonville, Florida 32202-3139

October 17, 2018



Ms. Lisa A. Green  
Inspector General  
Office of Inspector General, City of Jacksonville  
231 E. Forsyth Street, Suite 470  
Jacksonville, FL 32202

ELECTRIC

WATER

SEWER

Subject: JEA's Management Response Pursuant to OIG Report of Investigation  
Number 2017-0009

Dear Ms. Green:

We are herein providing our management response to your DRAFT Report of Investigation dated September 24, 2018, which includes a summary of our corrective action plan, its status, and any supporting documentary evidence.

#### **Recommended Corrective Actions**

1. Review and update JEA's *Secondary Employment Policy* and *Acceptable Use Policy* to incorporate an employee acknowledgment section. The policy revisions should include a process to require and retain the employee acknowledgement forms. Additionally, provide copies of the updated policies and verification the policies have been reissued and acknowledged by JEA employees, including all levels of management.

#### **Management's Response**

*Secondary Employment Policy:* The Secondary Employment Policy employee acknowledgment process will be revised based on the above recommendation. Currently, a link to the policy is included in the annual Ethics training that all employees must take, and which is tracked.

JEA is working on a technology solution that will incorporate an acknowledgment section that retains the employee acknowledgement. We expect to complete the company-wide implementation of the Navex Policy Tech policy and procedure management software by December 2018. This software will automate management workflows, track readership and attestations for all JEA policies and procedures.

The target date for completion is January 31, 2019.

*Acceptable Use Policy:* The Acceptable Use Policy and Information Security Policy are both acknowledged in the annual Information Security Awareness training that every employee with logical access to JEA resources must complete in March or within the first 90 days of employment. Employees that do not complete the training have their accounts disabled until the training is completed. This record is retained in JEA's learning system.

The following supporting documents are included as enclosures:

- a. General Security Awareness 2018 CBT Offering Policies
- b. General Security Awareness 2018 CBT Offering Policies Acknowledgement Form

These were completed on October 3, 2018.

2. Review and update the JEA Notification of Secondary Employment on-line form to include date fields for all actions, including approval and/or rejection by JEA management. Provide the OIG with a copy of the updated form.

#### **Management's Response**

The JEA Notification of Secondary Employment on-line form was updated to include date fields for the employee acknowledgment portion and Director approval/rejection fields on the Notification of Secondary Employment form. This will allow us to date-stamp the workflow of the form in Sharepoint where it currently resides.

A drop-down option was added to the rejection section for the Director. The drop-down box has four reasons listed for the Director to select. A copy of the updated form in SharePoint is enclosed as requested.

This was completed on October 9, 2018.

3. Review and update the *Acceptable Use Policy* to ensure that "limited personal use" is clearly outlined, in that JEA-owned resources may be used for personal purposes on a limited basis, to include providing limitations, for example: no additional cost to JEA is incurred; no interference with work duties and assignments; no disruption to the workplace; and supervisor is aware and approves of the "limited personal use." Provide the OIG with written verification of any updates.

### **Management's Response**

The updated Acceptable Use Agreement is provided as an enclosure. The applicable sections, as well as a description of the changes, are listed as follows:

Add 9.1.19 - Using JEA resources for personal use that incurs additional cost to JEA, interferes with employee's work duties and assignments, causes a disruption in the workplace, and the employee's supervisor is not aware or has not approved the limited personal usage.

Sections 6.3.4, 6.3.8, 6.4.6, 7.1 and 7.2 did not change.

This was completed on October 3, 2018.

4. The OIG recognizes the employee-owned gyms located in multiple JEA facilities are a benefit to JEA employees. However, the investigation determined that management has no direct oversight or supervision of the activities and time dedicated to the management of the gyms by JEA employees. Review and determine if the employee-owned gyms located in multiple JEA facilities should continue to be managed by volunteer JEA employees absent any accountability or oversight of JEA. Advise OIG of any decision concerning future gym operations.

### **Management's Response**

We are considering several options for continuing to encourage fitness and wellness for JEA employees. The target date for selecting an alternative fitness solution is January 31, 2019. We will keep the OIG apprised as this solution is developed.

We thank you for your insightful recommendations. Please contact me if you need additional information regarding our corrective action plan.

Sincerely,



Ted Hobson  
VP & Chief Compliance Officer  
JEA  
21 W. Church Street, T16  
Jacksonville, 32202  
(904) 665-7126; [hobste@jea.com](mailto:hobste@jea.com)

Cc: Ms. Melissa Dykes, President and Chief Operating Officer

Enclosures:

- 1) General Security Awareness 2018 CBT Offering Policies (1 page);
- 2) General Security Awareness 2018 CBT Offering Policies Acknowledgment Form (1 page);
- 3) Secondary Employment Updated SharePoint Template (3 pages); &
- 4) Draft TS B0010 IS 002 Acceptable Use (5 pages);

# Acceptable Use Policy and The Information Security Policy

The Acceptable Use Policy and The Information Security Policy are available on The Grid under **MD'S & PROCEDURES**. It is subject to change from time to time. It is your responsibility to be aware of what the policies say and to abide by the conditions in the policies.

Any user found using JEA technology resources for unethical or unacceptable practices is subject to disciplinary action, up to and including termination of employment or contract.

Read the Policies by clicking on the links below.

[Information Security Policy](#)

[Acceptable Use Policy](#)



## Acknowledgement Form:

**By selecting "yes" to the statements below, you agree that you have read the Acceptable Use Policy and The Information Security Policy and the Physical Security Requirements and that you agree to follow the guidelines in the policies.**

Yes, I've read and I accept the Acceptable Use Policy.

Yes, I've read and I accept the Information Security Policy.

Yes, I've read and I accept the Physical Security Requirements defined in this training.





### NOTIFICATION OF SECONDARY EMPLOYMENT

**Employee Name**   

**Director Name**   

**Employee Number**

**Cost Center**

**Position Title**

**Brief description of major JEA job functions/responsibilities**

### Secondary Employment Information

**Name of secondary employer**

**Date secondary employment began**

**Your position with secondary employer**

**Brief description of major secondary employer job functions/responsibilities**

**Does the secondary employer conduct business with JEA?**

**If yes, what is the nature of the business?**

**How many hours per week do you plan to work?**

**What is the date of your most recent Ethics training?**

### Employee Acknowledgment

I have read and understand the JEA Secondary Employment policy and the JEA Ethical Business Conduct Guidelines. My secondary employment does not present a conflict of interest as defined in these documents. I further understand that if my job responsibilities with either JEA or my secondary employer change, I will provide notice to JEA to ensure continued compliance with the Secondary Employment policy. Failure to adhere to policy is considered a violation of established disciplinary guidelines and may result in disciplinary action up to and including termination.

**Employee Signature**

**Date of Employee Signature**

10/9/2018



Submit

### Director Approval

Director Signature



Director Approval



Date of Director Signature



Reason for rejection



### Ethics Officer Approval (ONLY)

Ethics Officer Signature



Ethics Officer Approval



Ethics Officer Approval Date



Submit

Monday, October 08, 2018 3:54 PM

### Employee Acknowledgment

I have read and understand the JEA Secondary Employment policy and the JEA Ethical Business Conduct Guidelines. My secondary employment does not present a conflict of interest as defined in these documents. I further understand that if my job responsibilities with either JEA or my secondary employer change, I will provide notice to JEA to ensure continued compliance with the Secondary Employment policy. Failure to adhere to policy is considered a violation of established disciplinary guidelines and may result in disciplinary action up to and including termination.

Employee Signature   

Date of Employee Signature 10/8/2018 

### Director Approval

Director Signature   

Director Approval

Date of Director Signature 

Reason for rejection  

Ethics Officer Signature   

Ethics Officer Approval

Ethics Officer Approval Date 

Notification of Secondary Employment - New Item  
<http://comp/Ethics/Lists/Notification%20of%20Secondary%20Employment/Item/newifs.aspx?List=d8b4f1e7%2018f8%2046d8%20Db44d%20D01af35eed2e8&RootFolder=&Web=cb72f5a8%20465d%204888%20Da329%20De204abb23a98>  
Screen clipping taken: 10/8/2018 3:54 PM



**CORPORATE POLICY:**

TS B0010 IS 002

**TITLE:**

Acceptable Use Policy

**CREATION DATE:** December 15, 2004

**REVISED:** ~~February~~ October 24, 2018

### **1.0 Overview**

The Board of Directors and management of JEA are committed to preserving the confidentiality, integrity and availability of all the physical and electronic information assets throughout JEA in order to preserve its commercial image and compliance with legal, regulatory and contractual obligations. Information and information security requirements will continue to align with JEA's goals and this policy is intended to be an enabling mechanism for reducing information-related risks to acceptable levels. It is not the intent of this policy to impose restrictions that are contrary to JEA's established culture of openness, trust and integrity. The Board of Directors and management of JEA are committed and Technology Services has been assigned to protect JEA's employees, partners and the company from illegal or damaging actions by individuals, either knowingly or unknowingly.

Effective security is a team effort involving the participation and support of every user who deals with information and/or information systems. It is the responsibility of users to know these rules, and to conduct their activities accordingly.

### **2.0 Purpose**

This policy outlines what constitutes acceptable use of the Information and Communications Technology (ICT) resources of JEA and establishes rules to protect both users and JEA. Inappropriate use of information and communications technology equipment exposes JEA to unacceptable risks, including legal issues, malware, virus attacks, ransomware, compromise of network systems and services.

### **3.0 Scope**

This policy relates to all ICT and services provided by JEA including, but not limited to, computers, laptops, printers, copiers, faxes, emails, databases, operating systems, software, telephone systems, wireless communications and internet access, whether the equipment is owned by JEA, or leased by the company. All JEA employees, contractors, consultants, temporaries, and other users, including all personnel affiliated with third parties are required to adhere to this policy.

### **4.0 Definitions**

**Confidential Information** - Data for which there is a legal obligation not to disclose. The data elements require the highest levels of restriction due to the risk or harm that will result from disclosure or inappropriate use. Release of such information will be harmful to JEA's interests. Ex. PII, PCI, HIPAA, and Social Security Numbers.

**Denial of Service** - The prevention of authorized access to system assets or services or the delaying of time-critical operations. Any action or series of actions that prevents any part of a system from

functioning in accordance with its intended purpose. This includes any action that causes unauthorized destruction, modification, or delay of service.

**Employee** – An employee, as used in this policy, is any individual in one of the following categories:

- JEA Appointed Staff – An individual in a position authorized by an appropriate authority and included in an approved budget.
- Civil Service Staff - All employees of the consolidated government not specifically excluded by the City Charter.
- JEA temporary staff members - JEA temporary staff receiving a JEA paycheck, but are not permanent employees.
- Part-time staff member – employees in any of the above categories whose hours of work are less than 30 hours per week.
- Full-time staff member – employees in any of the above categories whose hours of work are 30 to 40 hours per week.

**Contractor** – A contractor is any individual in one of the following categories:

- Special Purpose Contract Individual - an individual who is hired for a specific period of time defined by a contract signed by JEA and the individual.
- Supplemental workforce members – personnel resources provided through all external agency contractors (a current example is Randstad).
- Vendor - any person or legal entity that provides or desires to provide supplies or services to JEA.

**Health Insurance Portability and Accountability Act (HIPAA)** - Health insurance information.

**Information and Communications Technology (ICT)** - An infrastructure characterized by computing and telecommunications equipment, software, processes, and people that support: a) The processing, storage, and transmission of data and information; b) the processes and people that convert data into information and information into knowledge; and c) the data and information themselves.

**Malware** - A contraction of 'malicious software'. A program that is inserted into a system, usually covertly, with the intent of compromising the confidentiality, integrity, or availability of the victim's data, applications, or operating system or of otherwise annoying or disrupting the victim, such as a virus, worms, spyware, Trojan or ransomware.

**Network Sniffing** - The passive interception of data transmissions.

**Phishing** - A digital form of social engineering that uses authentic-looking but, bogus emails to request information from users or direct them to a fake Web site that requests information. Tricking individuals into disclosing sensitive personal information through deceptive computer-based means.

**Spam** - The abuse of electronic messaging systems to indiscriminately send unsolicited bulk messages. Electronic junk mail or the abuse of electronic messaging systems to indiscriminately send unsolicited bulk messages.

**Users** - Any person who interacts directly with a computer system or a network system. This includes both those persons who are authorized to interact with the system and those people who interact without authorization. This term, when used in this policy, encompasses employees and contractors.

**Payment Card Industry Data Security Standards (PCI, PCI DSS)** - Credit card information.

**Personally Identifiable Information (PII)** - Information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

**Portable Computing Device (PCD)** - Portable Computing Devices (PCDs) include but are not limited to laptops, tablets, personal computers, USB flash drives, DVDs, smart phones, smart speakers, wearables or any other device capable of carrying or processing data.

**Sensitive Information** – Data that is not legally protected, but should not be made public and should only be disclosed under limited circumstances. Users must be granted specific authorization to access since the data's unauthorized disclosure, alteration, or destruction may cause perceivable damage to the company.

## 5.0 Awareness

- 5.1 It is the duty of every manager to ensure that their users are aware of their responsibilities under this policy.
- 5.2 It is also the duty of every manager to ensure that their users take the Security Awareness Training course available through Oracle, annually in the month of March.
  - 5.2.1 New users will take the Security Awareness Training Course during their orientation and then will take it again in March irrespective of how recently they have taken it.
  - 5.2.2 New onsite contractors with logical access will take the training before being given access to the JEA network.
  - 5.2.3 New remote contractors will be provided the training via email and will submit the completed questionnaire via email before being given access to the JEA Network.
- 5.3 Every worker at JEA is required to sign a document or acknowledge as part of annual training that:
  - 5.3.1 they have received and read, or seen and read a copy of this policy,
  - 5.3.2 they are aware of their responsibilities under this policy and,
  - 5.3.3 it is their intention to comply with the requirements set forth in this policy.

## 6.0 Policy

### 6.1 General Use and Ownership

- 6.1.1 Technology Services (TS) Department is responsible for all standard corporate equipment purchases, installations, disconnections and modifications. Users are not permitted to perform these activities without prior written approval of the TS Department.
- 6.1.2 All ICT resources, systems and services are the property of JEA. These include but are not limited to, all corporate computers and software owned by JEA, any corporate communications hardware and software provided by JEA for the purposes of accessing its computers, any corporate computer network governed in part or whole by JEA, all components of the electronic communications, physical infrastructure, and any electronic communications address, number, account, or other identifiers associated with JEA. These systems are to be used for business purposes in serving the interests of the company, and of our clients and customers in the course of normal operations. All said property is expected to be used on JEA

premises, except for situations where access and/or computers are necessary and provided for work assignments away from JEA.

- 6.1.3 Any users who are issued corporate hardware, software or documentation from JEA are responsible for the proper care and for returning it undamaged in a timely fashion.
- 6.1.4 For security and network maintenance purposes, JEA reserves the right to audit networks and systems on a periodic basis to ensure compliance with this policy. Authorized individuals within JEA may monitor equipment, systems and network traffic at any time and users may have their usage of these resources subjected to limitations by JEA.
- 6.1.5 While JEA's network administration desires to provide a reasonable level of privacy, users should be aware that all data they create on the corporate systems remains the property of JEA. Because of the need to protect JEA's network, management cannot guarantee the confidentiality of information stored on any device belonging to JEA or attached to said devices.

## 6.2 Portable Computing Devices

- 6.2.1 All Portable Computing Devices (PCDs), irrespective of device ownership, that are used in conjunction with any computer, data, or network device owned or managed by JEA must follow JEA policies and standards for the secure use of PCDs. This includes personal devices that access JEA email systems.
- 6.2.2 Users will sign or accept through the annual Security Awareness training the JEA Acceptable Use Agreement upon receiving a JEA issued PCD or if user is accessing the JEA network through a personal PCD.
- 6.2.3 All users should secure their PCD display when left unattended.
- 6.2.4 Never leave a PCD unattended in an insecure area.
- 6.2.5 Users are responsible for their PCD outside JEA's corporate buildings.
- 6.2.6 Keep the device away from magnetic fields that have the potential to damage the device.
- 6.2.7 A PCD displaying confidential or sensitive information must be positioned so that the screen cannot be viewed by others.
- 6.2.8 Lost or stolen PCDs, regardless of ownership, should be immediately reported to a JEA manager, who must ensure that the Network Operations Center (NOC) is also notified.
- 6.2.9 All JEA PCD's should be kept in your possession at all times. Unless otherwise authorized, remote access to the JEA network must be through Citrix Remote Access or Citrix XenMobile solutions.
- 6.2.10 PCD's making a remote connection to the JEA network must utilize supported malware scanning solutions with current signatures and current security updates must be applied. Personal firewalls are strongly encouraged to be used.

### 6.3 Internet

- 6.3.1 The distribution of any information through the Internet (including by e-mail, instant messaging systems and any other computer-based systems) may be scrutinized by JEA and JEA reserves the right to determine the suitability of the information.
- 6.3.2 The use of organizational computer resources is subject to Florida law and any abuse will be dealt with appropriately.
- 6.3.3 Users may not visit Internet sites that contain obscene, defamatory, hateful (i.e. promoting discrimination or harassment based on age, race, national origin, color, disability, gender, sexual orientation, religious or political beliefs) or other objectionable material, will not attempt to bypass organizational security controls and will not make or post obscene, defamatory, hateful or indecent remarks, proposals or materials on the Internet while using JEA ICT.
- 6.3.4 Users will not solicit e-mails that are unrelated to business activity or which are for personal gain, will not send or receive any material which is obscene or defamatory or which is intended to annoy, harass, or intimidate another person, and will not present personal opinions as those of JEA.
- 6.3.5 Users will not upload, download, or otherwise transmit commercial software or any copyrighted materials belonging to JEA or any third parties, will not reveal or publicize sensitive information, and will not send sensitive e-mails without the level of protection required based on the sensitivity of the information.
- 6.3.6 Users will not download software from the Internet or execute or accept any software programs or other code on the Internet with JEA ICT unless it is in accordance with JEA's policies and procedures.
- 6.3.7 Users will not intentionally interfere in the normal operation of the network or take any steps that substantially hinder others in their use of the network, and will not examine, change or use another person's files or any other information asset for which they don't have the owners' explicit permission.
- 6.3.8 In compliance with JEA Code of Conduct and while using JEA ICT, users will not carry out any other inappropriate activity as identified from time to time by JEA and will not waste time or resources on non-organization business. This includes downloading or streaming bandwidth intensive services such as video (YouTube), music and/or sharing digital photographs.

### 6.4 Electronic Messaging

- 6.4.1 JEA encourages the business use of electronic communications, specifically, electronic mail, and instant messaging.
- 6.4.2 All JEA business must be conducted in such a manner that it can be preserved as required by Florida Public Records Law (F.S. 119). Under the current ICT environment, text messages sent from phones and instant messages may not be able to preserve messages as required. Therefore, texting from phones or Instant Messaging is to be used for transitory purposes only. It will have no business value and is not to be construed as setting policy, establishing guidelines or procedures,

and does not certify a transaction or act as a receipt. Nothing that is intended to conduct JEA business will be done by text or instant message unless appropriate measures are taken to record and preserve the message by the user.

- 6.4.3 Each network user who has been approved to use the JEA electronic messaging systems will be assigned a unique email address that will be used while conducting company business via email or instant messaging.
- 6.4.4 The JEA issued unique email address may only be used while employed by the company.
- 6.4.5 All messages distributed via JEA electronic messaging system, including personal emails, are the property of JEA.
- 6.4.6 Users are forbidden from using JEA electronic messaging systems for private business activities, amusement/entertainment purposes, promotion or publication of one's political or religious views, the operation of a personal or non-JEA business or for any undertaking for personal gain.
- 6.4.7 Excessive personal use may result in disciplinary action, including but not limited to the loss of email privileges and/or termination.
- 6.4.8 Avoid sending sensitive information by email. Messages sent electronically can be intercepted inside or outside the company, and as such, there should never be an expectation of confidentiality or privacy. Electronic messages can be forwarded, intercepted, printed, and stored by others.
- 6.4.9 All messages composed and/or sent using company provided electronic messaging resources must comply with company policies regarding acceptable communications.
- 6.4.10 Sensitive information must not be forwarded to any party outside JEA without the prior approval of a local department manager. Unauthorized disclosure of sensitive information may result in disciplinary action, including but not limited to the loss of email privileges and/or termination.
- 6.4.11 Users are reminded that JEA electronic messaging systems are not encrypted by default. If confidential or sensitive information must be sent by electronic communication systems, encryption or similar technologies to protect the data must be employed.
- 6.4.12 Do not use company provided email addresses for any activity that is not explicitly business related including merchants, registrations, postings and social media providers.
- 6.4.13 Users may not intercept or disclose, or assist in intercepting or disclosing, electronic communications.
- 6.4.14 It is prohibited to send or forward emails containing profanity, obscenities, derogatory, defamatory, offensive, racist or obscene remarks while using JEA ICT.

- 6.4.15 JEA treats electronic messages as a business record. Established practices and procedures for the safekeeping, retention and destruction of the business record must be followed.
- 6.4.16 JEA prohibits discrimination based on age, race, national origin, color, disability, gender, sexual orientation, religious or political beliefs. Use of electronic messaging resources to discriminate for any or all of the aforementioned reasons is prohibited while using JEA ICT.
- 6.4.17 JEA reserves the right to intercept, monitor, review and/or disclose any and all messages composed, sent or received. It is the policy of JEA not to regularly monitor the content of electronic communications. However, the content of electronic communications may be monitored and the usage of electronic communications systems will be monitored to support operational, maintenance, auditing, security, and investigative activities.
- 6.4.18 It may be necessary for technical support personnel to review the content of an individual user's communications during the course of problem resolution. Technical support personnel may not review the content of an individual user's communications out of personal curiosity or at the behest of individuals who have not gone through proper approval channels.
- 6.4.19 JEA reserves the right to alter, modify, re-route or block the delivery of messages as appropriate. This includes but is not limited to:
  - 6.4.19.1 Rejecting, quarantining or removing the attachments and/or malicious code from messages that may pose a threat to company resources.
  - 6.4.19.2 Discarding attachments, such as music, considered to be of little business value and of significant resource cost.
  - 6.4.19.3 Rejecting or quarantining message with suspicious content, offensive language or messages determined to be unsolicited commercial email (spam)
  - 6.4.19.4 Appending legal disclaimers to messages
  - 6.4.19.5 Re-routing message with suspicious content to designated company individuals for manual review
- 6.4.20 JEA reserves the right to grant or revoke access to individuals on a case-by-case basis.
- 6.4.21 Once a user account is terminated, JEA will deny all access to electronic messaging resources, including the ability to download, forward, print or retrieve any message stored in the system, regardless of sender or recipient.

## 7.0 Authorized Usage

- 7.1 Use of corporate resources, including electronic messaging, should never create either the appearance or the reality of inappropriate use.

7.2 Users will conduct JEA related business using the company issued accounts. Users are prohibited from conducting JEA related business from any non-company provided email or instant messaging accounts.

7.3 Users must promptly report all information security alerts, warnings, suspected vulnerabilities, and the like to the Technology Services Help Desk. Users are prohibited from utilizing JEA systems to forward such information whether internal or external to JEA.

### **8.0 Confidential and Sensitive information**

Users must take all necessary steps to prevent unauthorized access to information.

- 8.1 Keep passwords secure and do not share accounts. Authorized users are responsible for the security of their passwords and accounts. User level passwords must be changed every 90 days. See JEA Access Administration Policy.
- 8.2 All PCs, laptops and workstations must be secured by logging-off or locking when the host will be unattended.
- 8.3 Because information contained on portable computers is especially vulnerable, special care must be exercised. Protect PCDs in accordance with the Portable Mass Storage Device Policy. Store confidential / sensitive information in designated areas.
- 8.4 All PCDs that are connected to the JEA Internet/Intranet/Extranet, regardless of ownership, will be continuously executing approved virus-scanning software with a current virus database.

### **9.0 Unacceptable Use**

The list below is an attempt to provide a framework for activities which fall into the category of unacceptable use. Users may be exempted from these restrictions during the course of their legitimate job responsibilities (e.g., systems administration staff may have a need to disable the network access of a host if that host is disrupting production services). Unacceptable uses include, but are not limited to, the following. **Under no circumstances is a user of JEA authorized to engage in any activity that is illegal under local, state, federal or international law while using JEA-owned resources.**

- 9.1 The following activities are strictly prohibited, with no exceptions:
  - 9.1.1 Violations of the rights of any person or company protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the installation or distribution of "pirated" or other software products that are not appropriately licensed for use by JEA.
  - 9.1.2 Unauthorized copying of copyrighted material including, but not limited to, digitization and distribution of photographs from magazines, books or other copyrighted sources, copyrighted music, and the installation of any copyrighted software for which JEA or the end user does not have an active license is strictly prohibited.

- 9.1.3 Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws, is illegal. The appropriate management will be consulted prior to export of any material that is in question.
- 9.1.4 Introduction of malicious programs into the network or server (e.g., viruses, worms, Trojan horses, e-mail bombs, ransomware, etc.).
- 9.1.5 Revealing your account password to others or allowing use of your account by others. This includes family and other household members when work is being done at home.
- 9.1.6 Using a JEA computing asset to actively engage in procuring or transmitting material that is in violation of sexual harassment or hostile workplace laws.
- 9.1.7 Making fraudulent offers of products, items, or services originating from any JEA account.
- 9.1.8 Making statements about warranty, expressly or implied, unless it is a part of normal job duties.
- 9.1.9 Reviewing, posting or sending obscene, pornographic, sexually explicit, or offensive materials.
- 9.1.10 Effecting security breaches or disruptions of network communication. Security breaches include, but are not limited to, accessing data of which the user is not an intended recipient or logging into a server or account that the user is not expressly authorized to access, unless these duties are within the scope of regular duties. For purposes of this section, "disruption" includes, but is not limited to, network sniffing, pinged floods, packet spoofing, denial of service, and forged routing information for malicious purposes.
- 9.1.11 Port scanning or security scanning is expressly prohibited unless prior approval from the Director Information Security is received in writing.
- 9.1.12 Executing any form of network monitoring which will intercept data not intended for the user's PCD, unless this activity is a part of the user's normal job/duty.
- 9.1.13 Circumventing user authentication or security of any PCD, network or account.
- 9.1.14 Vendor computer connection into the JEA network without written approval of the Director Information Security.
- 9.1.15 Cyber asset(s), such as the Internet of Things (IoT), connection into the JEA network without written approval of the Director Information Security.
- 9.1.16 Interfering with or denying service to any user other than the user's PCD (for example, denial of service attack).
- 9.1.17 Using any program/script/command, or sending messages of any kind, with the intent to interfere with, or disable, a user's terminal session, via any means, locally or via the Internet/Intranet/Extranet.
- [9.1.18](#) Providing information about, or lists of, JEA employees to parties outside JEA that requires manager's approval.

9.1.19 Using JEA resources for personal use that incurs additional cost to JEA, interferes with employee's work duties and assignments, causes a disruption in the workplace, and the employee's supervisor is not aware or has not approved the limited personal usage.

9.1.18

Formatted: Indent: Left: 1", No bullets or numbering

9.2 Other unacceptable uses include:

- 9.2.1 Violation of computer system security posture
- 9.2.2 Use of JEA's logo without prior documented approval
- 9.2.3 Violation of software license agreements
- 9.2.4 Creating non-company provided electronic messaging or social media accounts to falsely represent JEA.

#### 10.0 Exceptions

Any exceptions to this policy will require written authorization. Exceptions granted will be issued a policy waiver for a defined period of time. Requests for exceptions to this policy will be addressed to the Director Information Security.

#### 11.0 Enforcement

- 11.1 Any user found using JEA ICT resources for unethical or unacceptable practices is subject to disciplinary action, up to and including termination of employment or contract.
- 11.2 Any employee found to have violated this procedure may be subject to disciplinary action, up to and including termination of employment as specified in ES A0202 LR606.
- 11.3 Any user found to have violated this policy will be subject to disciplinary action, up to and including termination of employment or contract.

SIGNATURE: /s/ W. A. Kearson  
Director, Information Security

DATE: February-October 246, 2018

Documents Referenced
Information Security Policy
EWS A0202 LR606

Revision/Review History				
Issue	Description of Change	Modified by	Approved by	Date of Issue
1	Merged the following policies TS B0010 002 Acceptable Use Policy TS B0010 007 Electronic Messaging Policy TS B0010 008 Remote Access policy TS B0010 011 Laptop Security Policy TS B0010 016 Security Training Policy	W Kearson	W Kearson	07/01/2015
2	Amended 6.4.12	W Kearson	W Kearson	01/13/2016
3	Clarity for section 7.2 and added mobile to section 6.2, overall review and clean-up	W Kearson	W Kearson	2/16/2018
4	<u>Clarification in regards to the limited personal use of resources</u>	<u>W Kearson</u>	<u>W Kearson</u>	<u>10/02/2018</u>

Draft TS B0010 IS 002 Acceptable Use (002).docx TS B0010 IS 002 Acceptable Use