

# OFFICE OF INSPECTOR GENERAL CITY OF JACKSONVILLE



## REPORT OF INVESTIGATION

### SUPERVISOR OF THE ELECTIONS PURCHASING CARD EXPENDITURES

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**MATTHEW J. LASCELL**  
INSPECTOR GENERAL

**MARCH 22, 2024**

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**DATE ISSUED**

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



# OFFICE OF INSPECTOR GENERAL CITY OF JACKSONVILLE

**CASE NUMBER: 2024-0004**

Matthew J. Lascell  
Inspector General

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

## EXECUTIVE SUMMARY

In October 2023, the Office of Inspector General (OIG) initiated an administrative investigation regarding City of Jacksonville (COJ) purchasing card (also referred to as P-Card) transactions for the Supervisor of the Elections (SOE) in accordance with §602.303, *City of Jacksonville (COJ) Ordinance Code*.

In October 2023, the OIG requested purchasing card expenditures and relevant receipts from SOE from January 2022 through September 2023. In October 2023, the current SOE Gerald “Jerry” Holland (Holland) responded to the OIG, *“Upon taking office I came to realize there was over \$138,000 of P-Card purchases without receipts. I have had staff working for the last 3 months to try to recreate those records.”*

In October 2023, the OIG subsequently met with SOE regarding the purchasing card transactions. During this meeting, Holland identified that Robert Phillips (Phillips), formerly the SOE Chief Elections Assistant and a purchasing cardholder, amassed over \$138,000 of questionable purchasing card transactions with no corresponding receipts over the last several years. According to SOE officials, these transactions should have been approved with receipts by the former SOE and then approved by the COJ Finance and Administration Department (COJ Finance Department).

At this meeting, Holland advised that he (Holland) had re-hired Phillips in July 2023, post-retirement, as a SOE Part-time Special Assistant without access to the purchasing card. As a part of Phillips’ part-time job duties, he reconciled questionable purchasing card transactions by obtaining missed receipts and submitting corrected expenditures to Holland for approval. According to Holland, Phillips admitted using the purchasing card for approximately \$300 of personal purchases.

## BACKGROUND<sup>1</sup>

From July 2015 through June 2023, Phillips held the position of SOE Chief Elections Assistant under the former SOE’s leadership. While working as the SOE Chief Elections Assistant, Phillips was also held and was responsible for a purchasing card. In February 2019, the *COJ Purchasing Card Program Policies and Procedures (COJ Purchasing Card Program Policies and Procedures*

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<sup>1</sup> The Background section summarizes Phillips’ SOE position and the relevant COJ policies and procedures referenced in this Report of Investigation.

2019) came into effect as the purchasing card governing directives for COJ employees, including SOE employees.

According to the *COJ Purchasing Card Program Policies and Procedures 2019*, “A City of Jacksonville employee who is approved by his/her Manager to use the Purchasing Card shall be permitted to execute purchase transactions on behalf of City of Jacksonville. The cardholder shall be responsible for the security of the card and must obtain and provide itemized original receipts for all purchases and ensuring Florida state tax is not included on purchases.”

In May 2023, Phillips submitted a letter of resignation after 32 years of employment to SOE Supervisor-Elect Holland. In June 2023, SOE Supervisor-Elect Holland accepted Phillips’ letter of resignation. In July 2023, Holland became the new SOE and re-hired Phillips as the SOE Part-time Special Assistant.

## ALLEGATIONS, GOVERNING DIRECTIVES, AND FINDINGS

### ALLEGATION: VIOLATION OF COJ POLICIES AND PROCEDURES

*Robert Phillips, while formerly in the capacity of SOE Chief Elections Assistant, violated COJ Policies and Procedures by (1) failing to obtain original receipts for all purchasing card transactions, (2) failing to submit reconciled statements with attached receipts to his Manager for approval, and (3) using the purchasing card for personal and prohibited purposes. If substantiated, the allegation would be a potential violation of COJ Purchasing Card Program Policies and Procedures, effective February 2019.*

### FINDING: SUBSTANTIATED

#### *Purchasing Card Expenditure Records from iCloud<sup>2</sup>*

An OIG review of purchasing card expenditure records revealed that Phillips, while formerly in the capacity of SOE Chief Elections Assistant, made transactions totaling **\$139,187.85** from **March 2020 through December 2023** that were not submitted through reconciled statements with attached receipts to his Manager (former SOE) for approval before Phillips retired from SOE in **June 2023**. Regarding cardholder responsibilities, the *COJ Purchasing Card Program Policies and Procedures 2019* states verbatim, in part:

#### *Cardholder Responsibilities*

*The Cardholder must:...*

- 3. Approve all transactions within 7 working days after receiving email notifications from Commercial Card Expense Reporting...*
- 6. Obtain an original receipt for ALL transactions...*
- 9. Reconcile the statement to the receipts each month...*
- 10. Submit reconciled statement with attached receipts to their Manager for approval and then*

<sup>2</sup> iCloud is the COJ’s supplier portal also used by purchasing cardholders for expense-related matters that came into effect in approximately February 2020.

*their Division Coordinator for storage...*

**As of the date of this report, the COJ Finance Department is actively working to resolve Phillips' purchasing card-related matters.**

### **Prohibited Purchase Records**<sup>3</sup>

An OIG review of purchasing card expenditure records revealed that some of the **\$139,187.85** transactions made by Phillips were related to PayPal and Venmo.<sup>4</sup> The OIG identified that some of these PayPal and Venmo transactions were personal transactions. Regarding PayPal and personal purchases, the *COJ Purchasing Card Program Policies and Procedures 2019* states verbatim, in part:

#### ***What is the Purchasing Card?...***

*The Purchasing Card will enable Cardholders to purchase non-restricted commodities directly from suppliers. Purchases can be completed with suppliers over the phone, internet (no Pay Pal) or in person.*

#### ***Prohibited Purchases***

*The purchasing card must not be used to purchase the following items...*

- **ANY PERSONAL TRANSACTIONS....**
- **Using Pay Pal for Internet purchases...**

#### ***Cardholder Responsibilities***

*The Cardholder must:*

1. **Ensure the Purchasing Card is used for legitimate business purposes only...**

**As of the date of this report, Phillips has not reimbursed SOE or COJ for any of his prohibited and personal purchases made using the purchasing card.**

### **Reconciled Purchasing Card Records**<sup>5</sup>

An OIG review of purchasing card expenditures records revealed that Phillips reconciled some of the **\$139,187.85** transactions by submitting notarized Affidavits for Undocumented Travel/Non-Travel Expenses (Affidavits) due to being unable to locate the original receipts for these transactions. These notarized Affidavits reflected Phillips attested that these transactions were paid, but Phillips did not have appropriate or adequate receipts or other documentation for the transactions. Regarding transaction receipts, the *COJ Purchasing Card Program Policies and Procedures 2019* states verbatim, in part:

#### ***Cardholder Responsibilities***

*The Cardholder must:...*

6. **Obtain an original receipt for ALL transactions...**

<sup>3</sup> Due to the COJ Finance Department working to resolve these matters, this section will not contain specific numbers.

<sup>4</sup> Venmo is owned by and has been a subsidiary of PayPal since 2013.

<sup>5</sup> Due to the COJ Finance Department working to resolve these matters, this section will not contain specific numbers.

Further, *COJ Purchasing Card Program Policies and Procedures 2019* contained no provisions indicating that the purchasing cardholder could submit notarized Affidavits if they were missing original receipts. In November 2023, *COJ Finance & Administration Department Treasury Division, Standard Operating Procedure, Procedure Title: Purchasing Card Program (P-Card)* came into effect and contained a provision allowing notarized Affidavits in place of original receipts. Ultimately, the notarized Affidavits provision was not in effect on the date of Phillips' purchasing card transactions and corresponding notarized Affidavits.

### **COJ Finance Department Records**

According to the COJ Finance Department, they were unable to locate the *COJ Purchasing Card Agreement*<sup>6</sup> related to the *COJ Purchasing Card Program Policies and Procedures 2019*. The only documentation that the COJ Finance Department located was a copy of a card acceptance signed by Phillips in January 2022.

In February 2024, the Manager of Treasury Administration, COJ Finance Department confirmed Phillips' understanding of the purchasing card program via e-mail by stating, "*From my understanding, this document (Phillips' card acceptance), along with a provided copy of the P-Card Policy, and verbal instructions to complete the Wells Fargo on-line training, would attest to the cardholder's understanding of the overall P-Card program, but this information was not tracked in Treasury. Please be advised Treasury's current training process has had a complete overhaul.*"

According to the COJ Finance Department, they provided in-person trainings to Phillips and met with COJ officials related to Phillips' purchasing card expenditures on the following dates:

| Dates             | Details of Training and Meetings  |
|-------------------|---|
| May 31, 2023      | COJ Finance Department provided training to SOE employees, including Phillips related to creating expense reports in 1Cloud                                   |
| November 1, 2023  | COJ Finance Department met with the Comptroller related to the status of Phillips expense reports and expense items not included on expense reports           |
| December 11, 2023 | COJ Finance Department met with Phillips to review outstanding expense items pending and discuss the requirements for having these matters properly processed |

### **COJ E-mail Records**

An OIG review of COJ e-mails revealed the following relevant e-mails between Beatrice Plummer (Plummer), Account Technician, COJ Finance Department, and a former Director of Finance and Administration/Chief Financial Officer (former Director of Finance/CFO), regarding the suspension of Phillips' purchasing card:

<sup>6</sup> The *COJ Purchasing Card Agreement* indicates the purchasing cardholder has been provided training materials and acknowledges receipt of the *COJ Purchasing Card Program's Policies and Procedures*.

**From:** [Plummer, Beatrice](#)  
**To:** [Williams, Lakeisha](#); [Adams, Robin](#); [\[Former Director of Finance/CFO\]](#)  
**Cc:** [Noles, Henry](#); [Newsome, Kale](#); [Watkins, Chavon](#)  
**Subject:** Robert Phillips- Corporate Card Ending in 1363 Need to be Suspended  
**Date:** Friday, May 5, 2023 4:46:00 PM  
**Attachments:** [image001.png](#)  
 Robert Phillips Pending Exp Items not on an Expense report.xlsx  
**Importance:** High

Effective immediately the following employee Robert Phillips in Supervisor of Elections need to have his Corporate P-card suspended due to pending expense items not processed on an expense report as requested initially on 12/31/22.

Please see excel spreadsheets of the expense items in 1Cloud as of 5-4-23 that need to be processed. Please advise if you need anything else from me and if you have any questions and/or concerns.

**From:** [\[Former Director of Finance/CFO\]](#)  
**To:** [Plummer, Beatrice](#)  
**Cc:** [Williams, Lakeisha](#); [Adams, Robin](#); [Noles, Henry](#); [Newsome, Kale](#); [Watkins, Chavon](#); [Barrett, Paul](#)  
**Subject:** Re: Robert Phillips- Corporate Card Ending in 1363 Need to be Suspended  
**Date:** Friday, May 5, 2023 5:36:36 PM  
**Attachments:** [image001.png](#)  
[image001.png](#)

Please do not suspend this card until I speak with Robert Phillips. I will call him Monday to ensure he does what he needs to do with completing the appropriate paperwork.

Thank you for looping me in on this one as he is the top administrative professional at the supervisor of elections and obviously this is a very critical time for them to be able to ensure a smooth operations over the next couple of weeks to get past the election cycle.

The OIG investigation could not confirm that the conversation between the former Director of Finance/CFO and Phillips occurred related to the completion of the appropriate paperwork. However, the OIG did confirm that Plummer attempted to suspend Phillips' purchasing card, but it was not suspended based on the former Director of Finance/CFO's actions.

### **COJ Employee Service Department Records**

An OIG review of COJ Employee Services records revealed the retirement, re-hiring, and retention of Phillips' SOE employment. In May 2023, Phillips, while in the capacity of the SOE Chief Elections Assistant, submitted a letter of resignation after 32 years of employment to SOE Supervisor-Elect Holland. In June 2023, SOE Supervisor-Elect Holland accepted Phillips' letter of resignation. In July 2023, Holland became the new SOE and re-hired Phillips as the SOE Part-time Special Assistant at a salary of **\$40.00 per hour** working up to **24 hours per week**.

## SUBJECT TESTIMONY

### **Robert Phillips, SOE Part-time Special Assistant**

Phillips had been employed with the SOE for 32 years in various positions. From 2015 through June 2023, Phillips held the position of SOE Chief Elections Assistant, and his supervisor was the former SOE. As the SOE Chief Elections Assistant, Phillips was a purchasing cardholder responsible for all his purchasing card transactions and reconciliations. Phillips explained the purchasing card was used to obtain various items and professional services, some of which were provided by companies that were not COJ vendors. He stated the purchasing card was prohibited from being used for personal use, and *“it should have only been used for like travel and food. Those are the two main things.”*

According to Phillips, he used the purchasing card to make a purchase and then obtained the corresponding item or professional service, which would appear on an expense report. Every month, he was responsible for making another expense report for each item or professional service rendered, which would be comprised of supporting documentation (e.g., receipts). He submitted these expense reports through 1Cloud to his supervisor and the COJ Finance Department for review and approval.

During his time as the SOE Chief Elections Assistant, there were purchasing card transactions totaling approximately \$136,000 that he did not submit through 1Cloud via expense reports with supporting documentation in accordance with the COJ Purchasing Card Policies and Procedures. Phillips attributed these transactions and the lack of documentation to various events that began in February 2020: COVID-19, COJ transferring to 1Cloud, the presidential preference primary election, and other elections. Phillips did not recall having any conversations with the former Director of Finance/CFO regarding these purchasing card transactions or how to resolve these matters.

Regarding PayPal and personal purchases, Phillips stated that he placed the purchasing card on his personal PayPal account to make purchases, and as a result, there were various transactions associated with PayPal. Phillips explained two PayPal transactions were used for videography services for SOE rendered by Steven Shotola (Shotola), a non-COJ vendor. Based on Shotola's preferred form of payment being PayPal, Phillips paid him via PayPal as instructed by Greg Clark, SOE Assistant Elections Officer - Community Outreach Administrator.

Phillips did not remove the purchasing card from his personal PayPal account, so some personal PayPal transactions related to Google and Apple were paid. In 2022, he discovered these personal PayPal transactions and immediately removed the purchasing card from his PayPal account. Phillips admitted that the purchasing card paid approximately \$200 towards his personal PayPal transactions.

In July 2023, Phillips was rehired with SOE and currently holds the position of Part-time Special Assistant, and his supervisor is Holland. As the Part-time Special Assistant, his primary job duty is reconciling his purchasing card transactions from 2020 through 2023 by submitting expense

reports through 1Cloud to Holland and the COJ Finance Department for review and approval. These expense reports are comprised of receipts or affidavits for each transaction.

### SUMMARY

Phillips, while formerly in the capacity of SOE Chief Elections Assistant, failed to (1) submit transactions totaling **\$139,187.85** made from **March 2020 through December 2023** through reconciled statements with attached receipts to his Manager (former SOE) for approval, (2) obtain original receipts for all purchasing card transactions, and (3) use the purchasing card specifically for SOE-related matters.

The former SOE failed to oversee and monitor Phillips' purchasing card activity. Specifically, the former SOE failed to receive, review, and compare Phillips' statements and receipts to electronic/paper reports from Commercial Card Expense Reporting after Phillips approved the transaction.

### RECOMMENDED CORRECTIVE ACTIONS

The OIG recommends SOE:

1. Seek recovery from Phillips for the prohibited and personal use of the purchasing card.
2. The SOE takes any corrective action(s) deemed appropriate.
3. Upon public release, SOE places a copy of the OIG report in Phillips' personnel file.

The OIG recommends the COJ Office of the Mayor:

1. Update the *COJ Finance & Administration Department Treasury Division, Standard Operating Procedure, Procedure Title: Purchasing Card Program (P-Card), effective November 23, 2023*, to address that notarized Affidavits should be a rare exception, excessive use of Affidavits (e.g., three or more) is considered non-compliance, and notarized Affidavits should reflect separate transactions rather than a collective group of transactions.
2. Ensure the *COJ Finance & Administration Department Treasury Division, Standard Operating Procedure, Procedure Title: Purchasing Card Program (P-Card), effective November 23, 2023*, or updated procedures are acknowledged, signed, and dated by all purchasing cardholders and program administrators.
3. Determine if the COJ Finance Department should electronically submit reports (e.g., monthly, or quarterly) to the purchasing cardholders, the purchasing cardholders' supervisors, and the department leaders related to outstanding purchasing card expenses that have not been submitted promptly. Please ensure the OIG is courteously copied in these electronic communications.

**SUPERVISOR OF ELECTIONS  
MANAGEMENT'S RESPONSE**

On March 6, 2024, the OIG provided a copy of the draft report of investigative findings to Holland. The OIG provided Holland with an opportunity to submit a written explanation or rebuttal to the findings in the draft Report of Investigation, due on or before March 22, 2024. On March 19, 2024, Supervisor of Elections, Jerry Holland, responded to the draft report stating, *“I concur with the report of the Office of Inspector General for 2024-0004.”*

**COJ OFFICE OF THE MAYOR  
MANAGEMENT'S RESPONSE**

On March 6, 2024, COJ Chief Administrative Officer, Office of Mayor Donna Deegan was provided the opportunity to submit a written explanation or rebuttal to the findings as stated in this draft Report of Investigation, due on or before March 22, 2024. On March 22, 2024, the Mayor's Office responded to the draft report stating, *“The Mayor's Office would like to thank you for the opportunity to respond to Case Number 2024-0004 regarding the Supervisor of Elections Office. We are aware of the findings contained in your investigation and take these matters very seriously. The Finance and Administration Department is still in the process of auditing the items brought forth in your report. Until we have a clear picture of the reconciliation being performed, we will reserve our final recommendations related to this matter.”*

**INSPECTOR GENERAL STANDARDS**

***This report/review has been conducted in accordance with ASSOCIATION OF INSPECTORS GENERAL Principles and Quality Standards for Investigations.***