BEFORE THE CITY OF ATLANTA
BOARD OF ETHICS

In the Matter of:

Ryan Shepard
Respondent

Case No. CO-18-002

DECISION AND ORDER

This matter came before the City of Atlanta Board of Ethics for a decision on July 19, 2018 prior to a probable cause hearing. Having considered the attached settlement agreement, the City of Atlanta Board of Ethics approves the agreement and orders that the Respondent, Ryan Shepard, pay a fine of $500 and reimburse $1,077.48 from personal funds, which must be paid in full within ten (10) days of the Board’s approval of this agreement, for his violations of section 2-811 of the City’s Code of Ethics.

So ordered this 19th day of July, 2018.

For the City of Atlanta Board of Ethics

Kate Wasch
Chair, Board of Ethics
Before the City of Atlanta
Board of Ethics

In the Matter of:                   )
                              )
Ryan Shepard                    )   Case No. CO-18-002
Respondent                      )

Settlement Agreement

This settlement agreement is made between Jabu M. Sengova, Ethics Officer for the City of Atlanta, and Ryan Shepard, a former City of Atlanta employee charged with violating the City’s Code of Ethics while employed by the City.

The parties agree and consent to the following terms to resolve the pending case prior to a probable cause hearing before the City of Atlanta Board of Ethics. The Board of Ethics is responsible for administering, implementing, and enforcing the Standards of Conduct contained in the Atlanta Municipal Code.

Findings of Fact

1. Ryan Shepard (“Shepard”) is a former Court Administrator at the City of Atlanta Municipal Court. He worked for the City from January 2013 until his resignation from city employment in October 2017. As Court Administrator, Shepard managed the day to day operations of the Municipal Court and reported directly to the Municipal Court Judges. Prior to becoming Court Administrator, Shepard worked for two years in the Mayor’s Office of Innovation.

2. City of Atlanta employees who travel for official city business are required to adhere to the City’s written travel policy (the “Travel Policy”) which provides specific guidelines to regarding allowable and unallowable expenses while traveling on city business. Unallowable expenses include reimbursements for personal travel, airline upgrade chargers, wi-fi charges, and hotel no-show fees/charges.

3. Prior to July 2016, city employees could receive city funds in advance to book travel for official city business. As of July 2016, advanced bookings using city funds are facilitated directly through the City’s online travel portal. When an employee uses personal funds for city travel, the City reimburses the employee for all allowable expenses under the Travel Policy through the City’s Oracle I-Expense system.

4. In order to reconcile travel advances or receive reimbursement for travel expenses incurred using personal funds, city employees who travel for official city business are required to submit supporting documentation to the Department of Finance, which includes original receipts for airfare, hotel, ground transportation, and itineraries demonstrating the dates and purpose of the travel.
5. During an internal review of city travel advances and reimbursements at the Municipal Court, the Ethics Office determined that Shepard submitted for and received reimbursement for several unallowable expenses. It was further determined that in one instance, Shepard did not properly reconcile an advance of city funds for travel, and a remaining balance is owed to the City.

6. On April 3, 2018, the Ethics Office filed an ethics complaint against Shepard alleging that while employed by the City, Shepard was reimbursed with city funds for several unallowable expenses and failed to provide the required documentation showing official city business purpose for the expenses, in potential violation of Section 2-811 on use of city property and resources. The alleged unallowable expenses included: airfare to Oakland without documentation of city purpose, airfare to the Bahamas purchased for a non-city employee without documentation of city purpose, airline service fee charges, SkyMiles redeposit fees and airline wi-fi charges, charges on a city-issued credit card for several travel-related purchases, including a trip to San Francisco for an interview and several no-show/cancellation hotel charges.

7. Shepard provided a written response to the ethics complaint on May 14, 2018. In his response, Shepard provided explanations and supporting documentation for several of the travel expenses outlined in his ethics complaint. However, for several of the other flagged items, Shepard provided insufficient documentation or explanation of the official city business purpose.

8. On June 22, 2018, Ethics Office Investigator, Larry Mason, interviewed Shepard at the Ethics Office. Associate Ethics Officer, Carlos Santiago, was also present for the interview. During the interview, Shepard was asked to clarify the circumstances surrounding several of the expenses for which the supporting documentation he provided did not demonstrate a city business purpose, expenses which did not appear to comply with the Travel Policy, as well as expenses where the advanced amount did not match the reconciled amount per receipts provided to the Department of Finance.

9. During the same interview, Shepard was presented with city records documenting all remaining unallowable travel expenses and the unreconciled portion of his travel advance for which no city business justification was provided, and which are listed below:

   a. $573.20 in airfare unrelated to city business reimbursed to Shepard following the cancellation of a personal trip to the Bahamas in October 2015. Shepard was forced to cancel his flight due to an emergency town hall event for which he was required to attend in his position as Court Administrator. Shepard’s original flight was purchased with 27,500 Delta SkyMiles. The City reimbursed Shepard’s $150 fee for redeposit of the SkyMiles used to book the flight and the $150 airline change fee to rebook his flight for a total of $300. However, Shepard also requested and received $573.20 in reimbursement for the cost of booking two new tickets (one for himself and one for another individual) to the Bahamas despite being reimbursed $300 by the City to cover the associated charges to recoup the value of his SkyMiles and change his original flight;

   b. $465.33 difference between a city funded travel advance in the amount of $1,508.67 received by Shepard and the reconciled amount of $1,043.34 for hotel expenses submitted by Shepard following his September 2014 trip to the 2014
Code for America Summit in his official capacity with the City. While the trip was for official city business, employees receiving travel advances are expected to provide receipts for all associated expenses pertaining to the advance upon return from travel. Shepard did not provide supporting documentation to the Department of Finance related to this advance until May 22, 2015, and could not provide the Ethics Office with a city business justification for the remaining $465.33 balance owed to the City upon reconciliation; and

c. $29.95 in reimbursement to Shepard for a GoGo flight pass following a September 2014 trip to present in his official city capacity at the 2014 Code for America Summit and a $9.00 charge for “fees” reimbursed to Shepard following a September 2016 to Oakland, CA and Brunswick, GA on official city business.

CONCLUSIONS OF LAW

10. Ryan Shepard is a former City of Atlanta employee who, for activities which occurred during his employment with the City, is subject to the Atlanta Standards of Conduct, also known as the Atlanta Code of Ethics, found in Section 2-801 through 2-825 of the Atlanta Code of Ordinances.

11. Section 2-811 prohibits city officials and employees from requesting, using or permitting the use of city property or resources... “for the private advantage of such official or employee or any other person or private entity.” However, no city official or employee is prohibited from requesting, using or permitting the use of any city-owned or city-supported property or resources... “in the conduct of official city business.”

12. The failure of a city official or employee to reconcile travel expenses funded by the City of Atlanta within a reasonable time frame or to seek reimbursement for unallowable travel expenses pursuant to the City’s Travel Policy can form the basis for a violation of Section 2-811 of the Code of Ethics on use of city property and resources.

13. Shepard violated Section 2-811 by submitting for and receiving reimbursement from the City $573.20 for his personal travel and the personal travel of another individual, despite being reimbursed $300 by the City to cover the full cost of redepositing his SkyMiles (which were used to purchase his original ticket) and the change fee for his flight, following the cancellation of his trip to the Bahamas due to an emergency town hall event which he was required by the City to attend.

14. Shepard violated Section 2-811 by failing to reimburse the City for the $465.33 difference between the advanced amount and the reconciled amount for hotel expenses following his September 2014 trip to the 2014 Code for America Summit. Shepard failed to provide any supporting documentation to the Department of Finance related to this advance of city funds until May 22, 2015, which was an unreasonable time frame for reconciliation, and he was unable to provide an official city business justification for the remaining balance owed to the City.

15. Shepard violated Section 2-811 by submitting for and receiving reimbursement for a GoGo flight pass valued at $29.95 following a September 2014 trip to present at the 2014 Code for America Summit in his official capacity and a $9.00 charge for “fees” following a September 2016 to Oakland, CA and Brunswick, GA on official city business.
AGREEMENT

16. Shepard acknowledges that he violated the city's ethical standards as outlined in paragraphs 11-15 in the Conclusions of Law section of this document.

17. Shepard agrees to pay a civil penalty of $500 from personal funds. This amount is based on a fine of $250 per violation as outlined in paragraphs 13 and 14 of the Conclusions of Law section of this document. The Ethics Office is not recommending a fine on the violations outlined in paragraph 15 regarding the GoGo flight pass and charge for "fees".

18. Shepard agrees to pay the City of Atlanta $1,077.48 in reimbursement from personal funds for the unallowable travel expenses reimbursed to him and for the unreconciled amount of his travel advance as outlined in paragraph 9 (a-c) of the Findings of Fact section of this document.

19. The parties agree to enter this settlement agreement prior to a probable cause hearing in order to resolve all factual and legal issues raised in this matter and to reach a final disposition without the necessity of an evidentiary hearing before the Board to determine Shepard's liability.

20. Shepard understands and voluntarily waives all procedural rights under the Code of Ordinances, including the right to personally appear before the Board, subpoena witnesses to testify, confront and cross-examine all witnesses, and have the Board hear the matter at an enforcement hearing.

21. Shepard acknowledges that this agreement is not binding on any other law enforcement or governmental agency and does not preclude the Board of Ethics from referring this matter to, cooperating with, or assisting any other law enforcement or government agency on this or any other related matter.

22. The Ethics Officer will submit this settlement agreement for consideration by the Board of Ethics at its next regularly scheduled meeting, and the Board must enter an order approving the agreement before it becomes the final decision and order in the case. Shepard agrees to pay the total amount due of $1,577.48 within ten (10) days of approval of this agreement.

23. The parties agree that this agreement shall become null and void in the event that the Board refuses to accept it.

24. Shepard further agrees that no member of the Board of Ethics or its staff shall be disqualified from participating in any hearing before the Board because of prior consideration of this settlement agreement.

25. The failure of Shepard to comply with this agreement may result in initiation of an enforcement action for violation of its terms.
SIGNATURES

Ryan Shepard
Respondent

Date

Jabu M. Sengova
Ethics Officer

Date