Audit: Metro was billed for absent guards Building with laptops exposed for days

By MICHAEL CASS and SHEILA WISSNER Staff Writers

A private security firm didn't cover a vulnerable Nashville government building on Saturdays for months — but did send the city a bill for its services, according to a government audit.

Laptop computers containing Metro voters' Social Security numbers were stolen from the facility before Christmas, potentially exposing 337,000 people to identity theft. Although it's not clear whether the break-in occurred on a Saturday, city officials said the alleged failings of Wackenhut Corp. and a subcontractor are still outrageous if they're accurate.

"We need to hold these companies responsible, and if what's being alleged is true, they should be dismissed," Michael Craddock, chairman of the Metro Council's Public Safety Committee, said Tuesday.

Wackenhut, which has a five-year contract to provide security at many Metro buildings, billed the city for \$149.76 each Saturday from October through December for work at the Metro <u>Office</u> Building, said Janel Lacy, Mayor Karl Dean's spokeswoman. That amount represents 12 hours at \$12.48 an hour for one guard provided by Specialized Security Consultants, a subcontractor.

But Metro General Services, which manages the building, said it couldn't find any records that security guards swiped their keycards through card readers on those days, when the building was supposed to be covered for 12 hours. Metro officials are trying to determine whether Wackenhut dishonestly billed the city for services it didn't perform or if individual employees failed to do their assigned tasks. An independent auditing firm will look at records from every Metro building Wackenhut guards under its contract, which started on May 1.

City attorneys will "take appropriate action" against Wackenhut if it violated its contract, Dean said in a news release.

Specialized Security Consultants, which is based in Mt. Juliet, won't be able to work for Metro until an investigation is completed, Metro Law Director Sue Cain wrote in a letter to Wackenhut dated Tuesday.

More questions raised

Nashville attorney David Raybin, who specializes in identity theft cases, said the keycard audit gives Metro more ammunition in pursuing Wackenhut for money to reimburse the city.

But the audit also raises questions about why Metro officials weren't comparing the keycard data with billing records all along, Raybin said. If they had done so, the city would have realized much sooner that the building was unprotected.

"It's like reconciling your checkbook at the end of every month," he said.

Billing for services that weren't rendered would constitute fraud if Wackenhut or Specialized Security officials intentionally billed Metro for services they knew weren't performed.

A pattern of similar actions could help Metro build a case for punitive damages, Raybin said.

Wackenhut is under investigation in Florida over accusations the company overbilled the Miami-Dade County government. Last month, the FBI and city government officials raided its corporate <u>offices</u> in Palm Beach Gardens, Fla.

A preliminary audit showed Wackenhut had improperly billed the Miami-Dade government for up to \$12.1 million, news media reported.

Fired guard has theory

Specialized Security Consultants stopped providing security at the Metro Office Building on Saturday nights in July or August, said Brendan Murphy, a former security guard for the firm. He was fired for failing to perform his duties on Christmas Eve night, when police believe the laptop computers were stolen.

The company was trying to save money, said Murphy, who feels he's not to blame. "They were hoping they could get by with it, I guess," he said.

The subcontractor's decision meant the building wasn't covered for 36 straight hours each weekend from 6 a.m. Saturday, when an overnight shift ended, to 6 p.m. Sunday, Murphy said. He said he believes the laptops were stolen during that time on the weekend before Christmas.

In an interview several hours before the audit results were released Tuesday, Dean said voters "have a right to be angry, they have a right to be disappointed" about the burglary.

"I am, too," he said.