



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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J. TYLER McCAULEY
AUDITOR-CONTROLLER

October 24, 2005

TO: Supervisor Gloria Molina, Chair
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley *JTM*
Auditor-Controller

SUBJECT: **QUARTERLY FRAUD HOTLINE STATUS REPORT**

The Los Angeles County Fraud Hotline opened 158 new investigations during the quarter ending September 30, 2005. The Office of County Investigations closed 129 cases, 17 of which were substantiated, 51 were not substantiated, and 61 were not investigated after a preliminary review determined the allegation was either immaterial, previously investigated, referred to an outside agency, or not enough information was provided. Attachment I provides for a more detailed discussion of the closed substantiated cases. As of September 30, 2005, 424 investigations were in progress.

Based on the 17 substantiated cases, the following personnel actions were taken. Some cases may include multiple suspects and multiple dispositions.

Procedures Changed	1
Referred to District Attorney	2
Resigned	2
Restitution	1
Suspended	1
Pending	13

If you have any questions or need additional information, please call me or have your staff call Marion Romeis at (626) 293-1400.

JTM:MR

Attachments

c: Audit Committee
David E. Janssen, Chief Administrative Officer
Department Heads
Public Information Office

COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

Attachment I



**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN
Jul 01, 2005 and Sep 30, 2005**

CASES INVESTIGATED BY AUDITOR CONTROLLER

Case Number: 20040229

A Fire Department employee used his assigned County computer and email access to receive and forward sexually explicit material. In addition, he compromised network security by sharing his username and password with a co-worker. Disciplinary action is pending.

Case Number: 20040466

A Department of Children and Family Services (DCFS) employee misused his assigned County computer and Internet access to visit sexually explicit websites. Disciplinary action is pending.

Case Number: 20050144

The Department of Animal Care and Control (ACC) unknowingly hired individuals who should have been disqualified from employment, including several convicted felons. ACC is in the process of implementing a new hiring policy for future applicants. ACC is working with the Department of Human Resources to determine appropriate disciplinary action.

Case Number: 20050183

Two Department of Public Works (DPW) employees accepted gratuities from a private business. Disciplinary actions are pending.

Case Number: 20050237

An ACC employee used business cards bearing the County seal to solicit clients for an outside business during work hours. Disciplinary action is pending.

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**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN
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Case Number: 20050450

A DCFS employee accessed her niece's confidential case records. However, there was no evidence that she obtained the information for personal use. Disciplinary action is pending.

Case Number: 20050484

A DCFS employee kept sexually explicit material at his assigned work station. The employee was suspended without pay for 30 days.

Case Number: 20060052

An Internal Services Department employee and a DPW employee admitted entering a secured office after work hours to distribute campaign materials. Disciplinary actions are pending.

Total Cases Investigated By Auditor Controller

8

CASES REFERRED TO AND INVESTIGATED BY OTHER DEPARTMENTS

Case Number: 20040321

A Department of Health Services (DHS) employee did not report actual hours worked on his timecards. The employee resigned.

Case Number: 20050270

A Probation Department (Probation) employee conducted outside employment duties while on County time, and he did not disclose his outside employment to the Department. Disciplinary action is pending.

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**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Jul 01, 2005 and Sep 30, 2005

Case Number: 20050295

A Registrar-Recorder/County Clerk employee removed his County cell phone's sim card and installed it in his personal cell phone, resulting in fraudulent charges totaling \$4,159. The Department will strengthen controls over cell phone processing and distribution. Disciplinary action and restitution are pending.

Case Number: 20050304

DHS does not adequately monitor contract employee work hours. The Department agreed to implement procedures to improve contract employee oversight.

Case Number: 20050311

A DCFS employee made inappropriate physical contact with a co-worker. Disciplinary action is pending.

Case Number: 20050363

A Probation employee altered a probationer's money order and cashed it. The case was referred to the District Attorney (DA) for review.

Case Number: 20050409

A Department of Public Social Services employee improperly received Food Stamps because she failed to report that two of her children did not reside with her and that she was receiving alimony. The employee resigned and the case was referred to the DA's Office for review.

Case Number: 20050445

A DHS employee used County resources for an outside business and failed to report her outside employment activities. Disciplinary action is pending.

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CLOSED BETWEEN
Jul 01, 2005 and Sep 30, 2005**

Case Number: 20060134

A DPW credit card number was used for unauthorized charges totaling \$475. The card was cancelled and the credit card company reimbursed the County. The perpetrators could not be identified.

Total Cases Referred To And Investigated By Other Departments	9
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Total Number of Substantiated Cases for this period is: 17

**COUNTY OF LOS ANGELES
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Attachment II



**Los Angeles County Fraud Hotline
CLOSED CASE SUMMARY
Jul 01, 2005 through Sep 30, 2005**

	<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Other Dispositions</i>	<i>No Response</i>	<i>Total</i>
<i>Board of Supervisors</i>		2 (100%			2 (100%
<i>Children and Family Services</i>	1 (11%	8 (89%			9 (100%
<i>Coroner</i>		1 (100%			1 (100%
<i>County Public Library</i>		1 (100%			1 (100%
<i>Department of Human Resources</i>		4 (100%			4 (100%
<i>Department of Mental Health</i>		1 (100%			1 (100%
<i>Department of Public Social Services</i>	1 (20%	4 (80%			5 (100%
<i>Department of Public Works</i>	1 (33%	2 (67%			3 (100%
<i>Department of Registrar-Recorder/County Clerk</i>	1 (100%				1 (100%
<i>Health Services</i>	3 (21%	11 (79%			14 (100%
<i>Internal Services Department</i>			1 (100%		1 (100%
<i>Office of Public Defender</i>		1 (100%			1 (100%
<i>Probation Department</i>	2 (40%	3 (60%			5 (100%
<i>Special Investigations Unit</i>	8 (10%	13 (16%	59 (74%		80 (100%

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CLOSED CASE SUMMARY
Jul 01, 2005 through Sep 30, 2005**

	<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Other Dispositions</i>	<i>No Response</i>	<i>Total</i>
<i>Superior Court</i>			1 (100%)		1 (100%)
Grand Total	17 13.18%	51 39.53%	61 47.29%	0 0.00%	129 100.00%