



J. TYLER McCaULEY
AUDITOR-CONTROLLER

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

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July 27, 2004

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

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

SUBJECT: **FRAUD HOTLINE STATUS REPORT**

The Los Angeles County Fraud Hotline opened 142 new investigations during the period from April 1, 2004 to June 30, 2004. We closed 147 cases, 36 of which were Substantiated and 72 were Not Substantiated. In addition, 39 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. See Attachments I for a more detailed discussion of the closed substantiated cases. As of June 30, 2004, 315 investigations were in progress.

Based on the 36 substantiated cases, the following personnel actions were taken. Some cases may include multiple suspects and multiple dispositions.

Counseled	3
Procedures Changed	7
Reassigned	1
Reprimanded	1
Resigned	5
Suspended	4
Transferred	1
Written Warning	1
Pending	21

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**

Apr 01, 2004 and Jun 30, 2004

CASES INVESTIGATED BY AUDITOR CONTROLLER

Case Number: 20030348

A Department of Children and Family Services (DCFS) employee admitted taking two bus passes for personal use and failed to properly account for the usage of bus passes and tokens by falsifying the monthly reconciliation reports. The Department changed procedures and disciplinary action is pending.

Case Number: 20030355

An Assessor employee fraudulently deposited five County warrants, totaling \$3,068, into his personal bank account. The employee resigned and criminal charges are pending.

Case Number: 20040068

A Fire Department employee sent Departmental proprietary documents to opposing counsel during litigation without supervisory permission. Disciplinary action is pending.

Case Number: 20040087

A County Counsel employee was improperly paid for 1,400 hours (approximately \$36,000) of compensatory time accrued in excess of allowable limits. The Department of Human Resources is working with the Auditor-Controller and the Board's Executive Office to establish a repayment plan to collect the overpayment and to implement additional controls over the accrual of compensatory time.

Case Number: 20040128

A Fire Department manager used his County computer to search for and view sexually explicit material during work hours. Disciplinary action is pending.

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Attachment I



**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Apr 01, 2004 and Jun 30, 2004

Case Number: 20040273

Two Fire Department employees accepted two tickets each to a Lakers basketball game from a contractor, violating Department policy and creating the appearance of a conflict of interest. Disciplinary actions are pending.

Case Number: 20040337

Three Department of Public Works employees used their County computers to transmit sexually explicit material via email. In addition, one of the three employees misused his Internet access. Disciplinary actions are pending.

Case Number: 20040460

A Department of Parks and Recreation employee resigned after being asked to provide verification of his identity.

Total Cases Investigated By Auditor Controller

8

CASES REFERRED TO AND INVESTIGATED BY OTHER DEPARTMENTS

Case Number: 20030142

DCFS management discovered missing tokens valued at \$900; however, the parties responsible could not be identified. DCFS changed procedures to secure the tokens.

Case Number: 20030283

A Department of Health Services (DHS) employee returned to his same assignments even though he has permanent restrictions resulting from a work-related back injury. The employee was reassigned other duties.

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**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Apr 01, 2004 and Jun 30, 2004

Case Number: 20030297

A DHS employee failed to provide appropriate documentation to verify military leave claimed. Disciplinary action is pending.

Case Number: 20030319

A DHS computer system was accessed by an unidentified perpetrator and data was transferred to an unknown site without authorization. DHS changed procedures to secure and protect computer data.

Case Number: 20040073

A DPSS employee used another individual's Social Security number to obtain County employment. The employee resigned.

Case Number: 20040076

A review of the Department of Community and Senior Services' (DCSS) Cellular Telephone policy and procedures determined that it was not consistent with the Countywide Policy, resulting in a refund to a DCSS employee. DCSS revised its Cellular Telephone policy and procedures.

Case Number: 20040106

A DCFS employee solicited donations on County time to pay for her missionary trip to South Africa. Disciplinary action is pending.

Case Number: 20040191

A DHS employee abused her supervisory authority and violated the Department's Conflict of Interest policy by placing an order for services from a vendor in which her daughter has a financial interest. The employee was given a written warning.

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**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Apr 01, 2004 and Jun 30, 2004

Case Number: 20040197

A Department of Public Works (DPW) employee used his County computer for personal purposes and attempted to install unauthorized software. Disciplinary action is pending.

Case Number: 20040202

A Natural History Museum Foundation (Foundation) employee commingled her outside political activities with her Foundation duties. Foundation expenses were not properly accounted for; and some employees felt pressured to assist with non-County related activities. The Department changed procedures and the employee was reprimanded.

Case Number: 20040237

A DHS employee used a County computer and printer to produce and post sexually explicit material in her cubicle. The employee was transferred.

Case Number: 20040264

A DHS employee falsified his timecards to claim hours he did not work. The employee resigned.

Case Number: 20040270

A DCFS employee attended college on County time. Disciplinary action is pending.

Case Number: 20040272

A Department of Mental Health contractor submitted unsupported and unbillable claims. Reimbursement is pending.

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SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN

Apr 01, 2004 and Jun 30, 2004

Case Number: 20040288

A DHS employee used a County vehicle for personal use. Disciplinary action is pending and DHS issued new County Vehicle Usage policies and procedures.

Case Number: 20040302

A DCFS employee accessed confidential information of a recipient for personal use. The employee was counseled.

Case Number: 20040367

An Internal Services Department employee was allowed to attend college during the Fall 2003 semester and complete homework assignments during her regular work schedule. One employee and two managers were suspended.

Case Number: 20040376

A DCFS manager provided a client with the client's sister's confidential criminal history for the purpose of clearing erroneous information from the client's record. DCFS staff is not authorized to release this information. Disciplinary action is pending.

Case Number: 20040429

DCFS discovered that bus passes and tokens totaling \$1,295 were missing. However, the parties responsible could not be identified. The Department changed procedures to safeguard bus passes and token supplies.

Case Number: 20040437

A DPW employee misused the MTA Rideshare Rewards Program (Program) and inappropriately acquired Program gift certificates for personal use. Other DPW employees also wrongfully benefited. Disciplinary actions are pending.

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**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Apr 01, 2004 and Jun 30, 2004

Case Number: 20040448

A Probation Officer improperly restrained a minor to prevent her from leaving a dining hall. The minor was not injured. The Department intends to suspend the officer for 30 days.

Case Number: 20040471

A DPW employee failed to disclose felony convictions on her employment application. Disciplinary action is pending.

Case Number: 20040475

A DPW employee used his computer for personal use while on County time. Disciplinary action is pending.

Case Number: 20040494

A DHS employee falsified his timecard to claim time he did not work. The employee and his supervisor were counseled.

Case Number: 20040507

A DCFS employee failed to log several calls into DCFS' intake system for child abuse referrals. The employee resigned.

Case Number: 20040517

A DPW employee had inappropriate software on his County computer and used it for personal business. Disciplinary action is pending.

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**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Apr 01, 2004 and Jun 30, 2004

Case Number: 20040524

A DPW employee installed unauthorized software on his computer and accessed non-work related Internet sites during work hours. Disciplinary action is pending.

Case Number: 20040584

A DPW employee admitted that he misappropriated \$100 of petty cash. The employee abandoned his County employment.

Total Cases Referred To And Investigated By Other Departments	28
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Total Number of Substantiated Cases for this period is: 36

**COUNTY OF LOS ANGELES
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Attachment II



**Los Angeles County Fraud Hotline
CLOSED CASE SUMMARY
Apr 01, 2004 through Jun 30, 2004**

	<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Other Dispositions</i>	<i>No Response</i>	<i>Total</i>
<i>Affirmative Action Compliance</i>		2 (100%)			2 (100%)
<i>Auditor-Controller</i>	1 (33%)	2 (67%)			3 (100%)
<i>Children and Family Services</i>	7 (37%)	12 (63%)			19 (100%)
<i>Community & Senior Services</i>	1 (33%)	2 (67%)			3 (100%)
<i>Department of Human Resources</i>		3 (100%)			3 (100%)
<i>Department of Mental Health</i>	1 (17%)	5 (83%)			6 (100%)
<i>Department of Public Social Services</i>	1 (17%)	4 (67%)	1 (17%)		6 (100%)
<i>Department of Public Works</i>	7 (70%)	3 (30%)			10 (100%)
<i>Fire Department</i>		1 (100%)			1 (100%)
<i>Health Services</i>	7 (39%)	11 (61%)			18 (100%)
<i>Internal Services Department</i>	1 (14%)	6 (86%)			7 (100%)
<i>Museum of Natural History</i>	1 (100%)				1 (100%)
<i>Office of District Attorney</i>		2 (100%)			2 (100%)
<i>Office of Treasurer and Tax Collector</i>		2 (100%)			2 (100%)

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**Los Angeles County Fraud Hotline
CLOSED CASE SUMMARY
Apr 01, 2004 through Jun 30, 2004**

	<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Other Dispositions</i>	<i>No Response</i>	<i>Total</i>
<i>Probation Department</i>	1 (25%)	2 (50%)	1 (25%)		4 (100%)
<i>Sheriff's Department</i>		4 (100%)			4 (100%)
<i>Special Investigations Unit</i>	8 (14%)	11 (20%)	37 (66%)		56 (100%)
Grand Total	36 24.49%	72 48.98%	39 26.53%	0 0.00%	147 100.00%