



J. TYLER McCAULEY
AUDITOR-CONTROLLER

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

KENNETH HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-2766
PHONE: (213) 974-8301 FAX: (213) 626-5427

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

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

SUBJECT: **FRAUD HOTLINE STATUS REPORT**

The Los Angeles County Fraud Hotline opened 131 new investigations during the period from October 1, 2004 to December 31, 2004. We closed 111 cases, 35 of which were Substantiated and 53 were Not Substantiated. In addition, 23 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 Attachment I for a more detailed discussion of the closed substantiated cases. As of December 31, 2004, 322 investigations were in progress.

Based on the 35 substantiated cases, the following personnel actions were taken. Some cases may include multiple suspects and multiple dispositions, including one case with 24 personnel actions pending.

Counseled	9
Dismissed	1
Procedures Changed	3
Referred to District Attorney	3
Reprimanded	1
Restitution	1
Written Warning	2
Pending	52

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

Attachments

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

JTM:MR

Attachment I

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



**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Oct 01, 2004 and Dec 31, 2004

CASES INVESTIGATED BY AUDITOR CONTROLLER

Case Number: 20040078

Two former employees of a Department of Public Social Services (DPSS) subcontractor embezzled approximately \$6,000 in program funds. The Department was fully reimbursed by the contract agency and the case was referred to the District Attorney's Office (DA) for possible criminal prosecution.

Case Number: 20040170

A Public Library (Library) employee had a conflict of interest because he and his brother are co-owners of a library book vendor. In addition, the employee misrepresented himself as an authorized agent of the Library to obtain free travel and lodging, and fraudulently used sick benefits, instead of vacation. Disciplinary action is pending and the DA is pursuing prosecution.

Case Number: 20040212

A Fire Department's computer contained sexually explicit images. However, the person(s) responsible could not be identified.

Case Number: 20040424

A former Probation Department (Probation) volunteer Chaplain failed to provide Chaplain's Eagles Program with the required documentation of cash donations and expenditures of donated funds. Corrective action is pending.

Case Number: 20040598

Two Registrar-Recorder/County Clerk (RR/CC) employees improperly solicited \$400 in donations from RR/CC customer/title companies, to pay for a County employee party. Disciplinary actions are pending.

Attachment I

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**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Oct 01, 2004 and Dec 31, 2004

Case Number: 20050091

A bison at a Department of Parks and Recreation park died and the cause of death could not be determined because the carcass was destroyed before a necropsy could be performed. The Department is implementing new procedures to ensure the safety and proper care of animals.

Case Number: 20050228

An Animal Care and Control (ACC) employee misappropriated \$1,654. The Auditor-Controller also recovered more than \$900 in checks and deposit slips from the employee's residence. The DA is pursuing criminal prosecution.

Case Number: 20050245

A Department of Public Works (DPW) employee submitted a fraudulent doctor's note claiming he could not work because he was unable to drive a motor vehicle. Disciplinary action is pending.

Total Cases Investigated By Auditor Controller

8

CASES REFERRED TO AND INVESTIGATED BY OTHER DEPARTMENTS

Case Number: 20020271

A DPSS employee displayed inappropriate conduct by attempting to foster personal relationships with participants. Disciplinary action is pending.

Case Number: 20030020

A DPSS employee fraudulently signed her supervisor's signature on a housing assistance employment verification form. Disciplinary action is pending.

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**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Oct 01, 2004 and Dec 31, 2004

Case Number: 20030053

A DPSS employee exceeded the maximum weekly time allowed for outside employment. The employee also failed to report that she lives with her father and that she is his In-Home Supportive Services provider. Disciplinary action is pending.

Case Number: 20030054

A DPSS employee exceeded the maximum weekly time allowed for outside employment and failed to report that she was living with a welfare participant. Disciplinary action is pending.

Case Number: 20040041

A Department of Children and Family Services (DCFS) contractor purchased a van and three computers, totaling \$36,672, without DCFS authorization. DCFS will ensure that contractors obtain proper authorization prior to purchasing fixed assets.

Case Number: 20040092

The Library discovered that four boxes of shrink wrap were sold to a private business, but the parties responsible could not be identified. The Department changed procedures to secure supplies.

Case Number: 20040217

A Department of Health Services (DHS) employee abused her work hours by leaving work early on a regular basis, exhibited unprofessional behavior and continued to sell food to staff on County property after being counseled. Disciplinary action is pending.

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DEPARTMENT OF AUDITOR-CONTROLLER

Attachment I



**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Oct 01, 2004 and Dec 31, 2004

Case Number: 20040313

A DCFS employee used his County computer and Internet access to view non-work related and inappropriate material, including sexually explicit websites. Disciplinary action is pending.

Case Number: 20040383

A Probation employee falsified her mileage claim and was overpaid \$7,411. Reimbursement and disciplinary action are pending.

Case Number: 20040400

Three DHS managers failed to provide appropriate direction to staff and address staff shortages to ensure patient safety and quality of care. In addition, one manager instructed staff to falsify Acuity levels. Disciplinary actions are pending.

Case Number: 20040419

A DA employee used County resources (e.g., telephones, fax, e-mail, etc.) for personal use. The employee received a written warning.

Case Number: 20040520

A DHS employee used a County telephone and computer for personal business. The employee was counseled.

Case Number: 20040541

A DHS employee submitted fraudulent medical certification forms and inappropriately used sick leave benefits. The employee received a written reprimand and restitution is pending.

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**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Oct 01, 2004 and Dec 31, 2004

Case Number: 20040551

A DHS employee created a hostile work environment by intimidating staff. The employee was counseled.

Case Number: 20040600

A DPSS temporary services employee accessed confidential information and harassed and threatened a participant and the participant's family. The employee was dismissed.

Case Number: 20050036

Five DCFS employees used County postage to mail personal packages and correspondence. Disciplinary actions are pending.

Case Number: 20050037

The Department of Mental Health (DMH) discovered unauthorized calls, totaling \$605, made to 900 and 976 telephone numbers. However, the person(s) responsible could not be identified. DMH blocked access to the numbers and is requesting reimbursement from the telephone company.

Case Number: 20050041

Two related DMH employees work in the same center and reported to the same supervisor. DMH plans to relocate one employee to another location, and both employees were counseled to ensure that their relationship does not violate the confidentiality of information held by their DMH positions.

Case Number: 20050046

A Probation employee was counseled for timecard irregularities and for regularly bringing her grandchildren to work on weekends.

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**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Oct 01, 2004 and Dec 31, 2004

Case Number: 20050049

An ACC employee improperly used petty cash funds to purchase food and drinks for staff. The employee was counseled and the fund was reimbursed.

Case Number: 20050055

Six Internal Services Department (ISD) employees violated Department policy by accepting a lunch paid by an ISD vendor. Disciplinary actions are pending.

Case Number: 20050066

A DMH physician coded his timecard as eight hours worked Monday through Friday when the actual times and days worked varied due to an irregular 40 hour work schedule. DHS management will ensure that hours and shifts actually worked are accurately reflected and reported in accordance with Department timekeeping policies.

Case Number: 20050085

A Beaches and Harbor employee slept during work hours and had poor hygiene habits. Another employee violated the smoking policy. Both employees were counseled and received a verbal warning.

Case Number: 20050109

Two DCFS employees made a placement of a minor to another state without that state's approval. Disciplinary actions are pending.

Case Number: 20050138

A Sheriff Department employee used a County computer and photocopier to complete school assignments. The employee was counseled.

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**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN**

Oct 01, 2004 and Dec 31, 2004

Case Number: 20050195

An ISD employee used County equipment to create a flyer for her friend's business. The employee was counseled.

Case Number: 20050213

A DPW employee used his County computer to maintain sexually explicit and personal emails on the Department's network. In addition, 23 other employees were senders of the sexually explicit emails. Disciplinary actions are pending.

Total Cases Referred To And Investigated By Other Departments	27
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Total Number of Substantiated Cases for this period is: 35

COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

Attachment II



Los Angeles County Fraud Hotline
CLOSED CASE SUMMARY
 Oct 01, 2004 through Dec 31, 2004

	<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Other Dispositions</i>	<i>No Response</i>	<i>Total</i>
<i>Animal Care & Control</i>	1 (100%)				1 (100%)
<i>Beaches & Harbors</i>	1 (100%)				1 (100%)
<i>Chief Administrative Office</i>		1 (100%)			1 (100%)
<i>Children and Family Services</i>	4 (50%)	4 (50%)			8 (100%)
<i>Children's Support Services Department</i>		1 (100%)			1 (100%)
<i>Community & Senior Services</i>		1 (100%)			1 (100%)
<i>County Public Library</i>	1 (100%)				1 (100%)
<i>Department of Human Resources</i>		3 (100%)			3 (100%)
<i>Department of Mental Health</i>	3 (100%)				3 (100%)
<i>Department of Public Social Services</i>	5 (36%)	9 (64%)			14 (100%)
<i>Department of Public Works</i>	1 (50%)	1 (50%)			2 (100%)
<i>Health Services</i>	5 (38%)	8 (62%)			13 (100%)
<i>Internal Services Department</i>	2 (33%)	4 (67%)			6 (100%)
<i>Office of District Attorney</i>	1 (50%)	1 (50%)			2 (100%)

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**Los Angeles County Fraud Hotline
CLOSED CASE SUMMARY
Oct 01, 2004 through Dec 31, 2004**

	<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Other Dispositions</i>	<i>No Response</i>	<i>Total</i>
<i>Probation Department</i>	2 (100%)				2 (100%)
<i>Sheriff's Department</i>	1 (100%)				1 (100%)
<i>Special Investigations Unit</i>	8 (16%)	20 (39%)	23 (45%)		51 (100%)
Grand Total	35 31.53%	53 47.75%	23 20.72%	0 0.00%	111 100.00%