



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

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AUDITOR-CONTROLLER

August 19, 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: **FRAUD HOTLINE STATUS REPORT**

The Los Angeles County Fraud Hotline opened 162 new investigations during the period from April 1, 2005 to June 30, 2005. The Office of Countywide Investigations closed 106 cases, 25 of which were substantiated, 52 were not substantiated, and 29 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 June 30, 2005, 303 investigations were in progress.

Based on the 25 substantiated cases, the following personnel actions were taken. Some cases may include multiple suspects and multiple dispositions.

Counseled	3
Dismissed	5
Referred to District Attorney	2
Resigned	4
Restitution	2
Suspended	2
Pending	11

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

COUNTY OF LOS ANGELES
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Attachment I



**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN
Apr 01, 2005 and Jun 30, 2005**

CASES INVESTIGATED BY AUDITOR-CONTROLLER

Case Number: 20040306

An Internal Services Department manager circumvented County Purchasing regulations by splitting orders to keep within the Department's \$5,000 purchasing authority, and abused his work hours. Disciplinary action is pending.

Case Number: 20040377

A Department of Community and Senior Services (DCSS) employee operated a residential care facility, in which he had a financial interest, while he was on Medical Leave. He was also a designated payee for Social Security benefit checks for at least ten participants. The employee was discharged and the case was referred to the District Attorney (DA) for review.

Case Number: 20050156

A DA employee used a County issued calling card to make personal calls. The employee was suspended for one day and restitution is pending.

Case Number: 20050157

An Animal Care and Control (ACC) employee used his County position to facilitate dog boarding arrangements from which he profited. The employee further admitted to audio recording ACC employees without their consent. The Department intends to discharge the employee and the referral to the DA is pending.

Case Number: 20050225

A Department of Health Services (DHS) manager did not disclose honorariums and paid travel expenses on the Statement of Economic Interests (Form 700), as required. The manager agreed to declare such income and reimbursements in the future.

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Case Number: 20050244

A DHS employee worked more than the 24 hours per week allowed for outside employment and falsely reported hours she did not work, resulting in an overpayment of at least \$1,209. The employee resigned from her outside employment. Disciplinary action is pending.

Case Number: 20050332

A Department of Children and Family Services employee compromised confidential client information when he allowed an unauthorized individual to accompany him on child abuse investigations. Disciplinary action is pending and the case was referred to the DA for review.

Case Number: 20050340

An Office of Education employee violated the California Education Code by living outside Los Angeles County while a Commission member. In addition, the employee received over \$49,000 in cash and benefits to which he was not entitled. The employee resigned from the Commission and restitution is pending.

Case Number: 20050456

DHS lacks an effective mechanism to ensure that contract physician billings to the County are for actual hours worked. The Department conducted a follow up review and is working to improve controls over contract physicians.

Total Cases Investigated By Auditor-Controller

9

CASES REFERRED TO AND INVESTIGATED BY OTHER DEPARTMENTS

Case Number: 20030013

A DHS employee did not reflect actual hours worked on his timecard. Disciplinary action is pending.

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**SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN
Apr 01, 2005 and Jun 30, 2005**

Case Number: 20040615

A DHS employee did not code his timecards to reflect attendance at LACERA conferences. Corrective action is pending.

Case Number: 20050003

A DHS employee was insubordinate and supervisors did not properly monitor overtime hours worked by their staff. Corrective and/or disciplinary actions are pending.

Case Number: 20050166

A DHS employee used a County vehicle for personal use. The employee was suspended for 10 days.

Case Number: 20050221

A DHS employee failed to report his outside employment to the Department. Disciplinary action is pending.

Case Number: 20050224

One DHS employee did not properly code her timecard, and failed to comply with policies and procedures and perform assigned duties. Another employee failed to report her outside employment and exceeded the maximum 24 hours per week allowed. One employee was dismissed and disciplinary action is pending for the other employee.

Case Number: 20050267

A DPW employee used County equipment for personal use. The employee was counseled.

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**SUMMARY OF SUBSTANTIATED CASES
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Apr 01, 2005 and Jun 30, 2005**

Case Number: 20050317

A Department of Public Social Services (DPSS) employee was arrested for possession of a controlled substance. The Department intends to discharge the employee.

Case Number: 20050350

A DHS employee attended school while on County time with her supervisor's approval. The employee was counseled and disciplinary action is pending for the supervisor.

Case Number: 20050391

A Child Support Services Department employee submitted fraudulent medical statements for one year to conceal her incarceration in federal prison. The employee resigned.

Case Number: 20050399

A DHS employee did not report actual hours worked on his timecards. The employee was counseled.

Case Number: 20050412

A Probation Department employee used his assigned County computer to access sexually explicit images. The employee was dismissed.

Case Number: 20050434

A DPSS employee inappropriately accessed the Medi-Cal Eligibility Data System to obtain confidential case records for personal use. Disciplinary action is pending.

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**SUMMARY OF SUBSTANTIATED CASES
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Case Number: 20050446

A DPSS temporary contract employee was dismissed for possibly committing identity theft.

Case Number: 20050452

A DPSS employee did not report actual hours worked on her timecard. Disciplinary action is pending.

Case Number: 20050485

A DCSS employee used his County computer to access and print child pornographic images. The employee retired and the DA filed criminal charges.

Total Cases Referred To And Investigated By Other Departments	16
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Total Number of Substantiated Cases for this period is: 25

**COUNTY OF LOS ANGELES
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Attachment II



**Los Angeles County Fraud Hotline
CLOSED CASE SUMMARY
Apr 01, 2005 through Jun 30, 2005**

	<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Other Dispositions</i>	<i>No Response</i>	<i>Total</i>
<i>Affirmative Action Compliance</i>		1 (100%)			1 (100%)
<i>Children and Family Services</i>		8 (100%)			8 (100%)
<i>Children's Support Services Department</i>	1 (100%)				1 (100%)
<i>County Counsel</i>		1 (100%)			1 (100%)
<i>Department of Human Resources</i>		3 (100%)			3 (100%)
<i>Department of Mental Health</i>		2 (100%)			2 (100%)
<i>Department of Public Social Services</i>	4 (33%)	8 (67%)			12 (100%)
<i>Department of Public Works</i>	1 (33%)	2 (67%)			3 (100%)
<i>Health Services</i>	8 (50%)	8 (50%)			16 (100%)
<i>Internal Services Department</i>		2 (100%)			2 (100%)
<i>Office of District Attorney</i>	1 (100%)				1 (100%)
<i>Office of Treasurer and Tax Collector</i>		1 (100%)			1 (100%)
<i>Probation Department</i>	1 (20%)	4 (80%)			5 (100%)
<i>Special Investigations Unit</i>	9 (18%)	12 (24%)	29 (58%)		50 (100%)

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	<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Other Dispositions</i>	<i>No Response</i>	<i>Total</i>
<i>Grand Total</i>	25	52	29	0	106
	23.58%	49.06%	27.36%	0.00%	100.00%