

County reports 118 cases of fraud

In last half of 2011, investigators find variety of violations committed by LA County workers

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Workers stealing, falsifying reports, soliciting prostitutes and accessing pornography on government laptops are just some of 118 substantiated cases of fraud county investigators uncovered in the last half of 2011.

Investigators with the Los Angeles County Department of Auditor-Controller released their quarterly report in late March on incidents of alleged fraud reported on the County Fraud Hotline.

Between July and December of last year, the department's Office of County Investigations looked into 721 reported cases of fraud - which on average amounts to about four reported cases of corruption a day.

In her report delivered to county supervisors March 28, county Auditor-Controller Wendy L. Watanabe notes the number of abuse cases marked a 15.5 percent increase from the first half of 2011.

"People do get fired," department spokesman David Sommers told The Signal on Thursday.

"People are indeed reprimanded, and in cases of suspected criminality, those cases are referred by the county to the District Attorney's Office."

While some of the 721 cases of alleged fraud were carried over from suspected wrongdoing reported early in the year, county investigators looked into and closed 473 reported cases by year end.

When investigators closed the book on those 473 cases, a quarter of them were found to be true as reported.

The remaining cases were either unsubstantiated (205 cases, amounting to 43 percent) or were not investigated (150 cases, or 32 percent), mainly because most of those had already been investigated.

Only four fired

Only four of the 118 substantiated cases of fraud resulted in the perpetrator being discharged, or fired.

Most (21) received a verbal warning not to do it again, a little more than a dozen (16) of the badly behaving public servants were suspended, and less than a dozen received a letter of reprimand.

Ten county employees caught committing fraud were allowed to resign or retire.

Criminal charges were filed in only one case, and only one other case was referred to the district attorney.

One was demoted.

The one criminal case involved an employee of the county's Department of Children and Family Services being arrested and charged for engaging in illegal human trafficking.

Sommers was asked about the case and about the employee receiving a 15-day suspension because of it.

He deferred the question to Chief Investigator Guy Zelenski, but Zelenski could not be reached for comment.

Of 20 county departments investigated, the highest number of substantiated cases of fraud were found in Public Social Services with 35 cases, Children and Family Services with 21, and 13 cases inside the Department of Mental Health.

Even in the office of the investigators, there were two cases of fraud - one involving an Auditor-Controller employee using the county computer to surf the Internet and the other involving a worker going home when they said they were working.

Substantiated cases

Some of the substantiated cases of fraud included:

- Department of Health Services worker failed to report two missing laptops to law enforcement officers. The missing laptops did not contain confidential or health insurance information, according to investigators.

- Five Child Support Services workers kept confidential client records that they "had no business to possess." Investigators said the perpetrator told them he kept the files in order to pray for the clients. The same worker was also cited for using profanity and sexual innuendo among coworkers.
- A Child Support Services worker kept 15 confidential client records that he "had no business to possess." Investigators said the perpetrator told them he kept the files in order to pray for the clients. The same worker was also cited for using profanity and sexual innuendo among coworkers.
- Five employees of Children and Family Services accepted 223 phone calls from relatives and friends in prison or jail. Total cost of the phone bills to the taxpayer was \$1,020.84.
- Another worker in the same department falsified records of home visits that did not occur.
- Yet another employee of the Department of Children and Family Services was arrested for soliciting a prostitute while working.
- Confidential health files were feared to have been compromised when a mental health worker gave her husband her County password and USB flash drive so that he could transmit and send sensitive material over the Internet, including at least one sexually explicit image.
- Two County-owned external computer hard drives containing "several thousand case files" were stolen from the car of an Internal Services Department employee. The worker received a five-day suspension.

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