



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

OFFICE OF COUNTY INVESTIGATIONS
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July 12, 2021

TO: Antonia Jiménez, Director
Department of Public Social Services

FROM: Robert G. Campbell, Chief
Office of County Investigations

SUBJECT: **IMPROVEMENT OPPORTUNITIES NOTED DURING LIMITED REVIEW
#2019-16172**

NUMBER OF RECOMMENDATIONS
PRIORITY 1 1 CORRECTIVE ACTION REQUIRED WITHIN 90 DAYS
PRIORITY 2 0 CORRECTIVE ACTION REQUIRED WITHIN 120 DAYS
PRIORITY 3 0 CORRECTIVE ACTION REQUIRED WITHIN 180 DAYS

During a limited review at the Department of Public Social Services (DPSS or Department), we noted that DPSS can improve its process for internal referrals of employee misconduct and ensuring timely follow-up. Please see Attachment I, Table of Findings and Recommendations for Corrective Action, for details of our observations and recommendations.

Review of Report

We discussed our report with DPSS management. The Department’s response (Attachment II) indicates general agreement with our findings and recommendations.

We thank DPSS management and staff for their cooperation and assistance during our review. If you have any questions please contact me at (213) 893-0058 or rcampbell@auditor.lacounty.gov, or your staff may contact Supervising Investigator Tim Takara at (213) 893-0918 or ttakara@auditor.lacounty.gov.

RGC:GH:TT:gl

Attachments

c: Arlene Barrera, Auditor-Controller
Audit Committee
Audit Division

REPORT #IOR-2019-16172

LOS ANGELES COUNTY AUDITOR-CONTROLLER

Peter Hughes
ASSISTANT AUDITOR-CONTROLLER

Robert G. Campbell
DIVISION CHIEF

Office of County Investigations

Report #IOR-2019-16172

**DEPARTMENT OF PUBLIC SOCIAL SERVICES
IMPROVEMENT OPPORTUNITIES NOTED DURING LIMITED REVIEW #2019-16172**

BACKGROUND

During a limited review at the Department of Public Social Services (DPSS or Department), we noted areas where DPSS can improve its process for internal referrals of employee misconduct and ensuring timely follow-up. DPSS Bureau of Human Resources, Human Relations Management Branch is comprised of various sections including Internal Affairs and Employee Relations (IA&ER), and Discipline, Policy, Litigation, and Live Scan (Discipline Section). The IA&ER Section conducts various administrative investigations, including cases referred by the Office of County Investigations (OCI) or DPSS' Welfare Fraud Prevention and Investigations (WFP&I) Section. The Discipline Section is responsible for pursuing administrative action in cases of substantiated employee misconduct.

TABLE OF FINDINGS AND RECOMMENDATIONS FOR CORRECTIVE ACTION

	ISSUE	RECOMMENDATION
<p>1 Employee Misconduct Referrals – During our limited review, we noted that DPSS does not have formal/documented procedures to ensure designated staff notifies all responsible parties of substantiated cases of employee misconduct, documents such notifications including the date of referral, and ensures that timely follow up actions are taken.</p> <p>We identified a case where WFP&I found a DPSS employee fraudulently obtained \$15,000 in welfare benefits and referred the matter to the District Attorney (LADA), but the Department did not initiate any disciplinary action for approximately 23 months. OCI also investigated and substantiated welfare fraud by the same employee, referred our findings to the LADA, and notified DPSS Executive Management to take corrective action.</p> <p>After LADA charged the employee, IA&ER investigated and substantiated the employee also falsified time records and submitted fraudulent medical notes. This additional misconduct occurred in part during the interval after the employee was criminally charged. Had DPSS initiated timely disciplinary action, this misconduct would have been prevented since DPSS management ultimately terminated the employee for the misconduct.</p> <p>DPSS management attributed the delay to miscommunication between WFP&I, IA&ER, and Discipline, which was exacerbated by a personnel issue with the administrative manager responsible for discipline. Although</p>	<p>Priority 1 - DPSS management develop and implement formal procedures, consistent with applicable DHR policies and guidelines, to ensure designated staff:</p> <ul style="list-style-type: none"> a) Notifies all responsible parties of substantiated cases of employee misconduct timely. b) Transmits the notifications via a traceable and verifiable medium, such as e-mail, ideally to a group mailbox so that timely receipt and processing of such notifications is not dependent on any single employee. c) Takes timely administrative and disciplinary actions, particularly in discharge cases involving work-related crimes or other significant misconduct. d) Tracks and ages cases to ensure administrative actions are timely and meet County and Department policies and expectations. e) Are trained on the newly documented procedures. 	

Priority Ranking: Recommendations are ranked from Priority 1 to 3 based on the potential seriousness and likelihood of negative impact on the Agency's operations if corrective action is not taken.

TABLE OF FINDINGS AND RECOMMENDATIONS FOR CORRECTIVE ACTION	
ISSUE	RECOMMENDATION
<p>the manager attributed the additional delay to the fact the employee was on intermittent medical leave between 2018 and 2020, DPSS management indicated the employee’s explanation to us was not consistent with the guidance they provided to their employees handling disciplinary matters, and the employee was counseled for their part in the delay.</p> <p>Board of Supervisors Policy 9.020 states that each department head shall hold their employees accountable for actions that include being dishonest, untruthful, and/or which demonstrate a lack of integrity, and issue appropriate levels of corrective action, which may include discipline up to and including discharge from County service.</p> <p>On February 9, 2017, the Department of Human Resources issued guidance to all department heads recommending that “leave status should not be a deterrent for imposing discipline when a discharge action is pending,” and that departments should “...immediately impose the discipline regardless of leave status.”</p> <p>Impact: The lack of formal/documented procedures for handling internal referrals of substantiated criminal and administrative misconduct, particularly when the misconduct arises from or is related to an employee’s official duties, may delay administrative or disciplinary action and allow the conduct to continue, resulting in additional losses to the County. Not taking prompt administrative action can also negatively impact employee morale when staff are aware of the misconduct and observe it going unaddressed. While this finding arises from a case in which an employee committed welfare fraud, falsified time records and submitted fraudulent medical notes, documenting formal procedures for handling internal referrals will help ensure the effective handling and disposition of all substantiated administrative and criminal misconduct investigations within the Department.</p>	<p>Department Response: Agree Implementation Date: July 15, 2021</p>

For more information on our auditing process, including recommendation priority rankings, the follow-up process, and management’s responsibility for internal controls, visit auditor.lacounty.gov/audit-process-information.

Priority Ranking: Recommendations are ranked from Priority 1 to 3 based on the potential seriousness and likelihood of negative impact on the Agency’s operations if corrective action is not taken.



ANTONIA JIMÉNEZ
Director

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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June 30, 2021

TO: Robert G. Campbell, Chief
Office of County Investigations

FROM: 
Antonia Jiménez, Director

**SUBJECT: RESPONSE TO AUDITOR-CONTROLLER FINDINGS AND
RECOMMENDED CORRECTIVE ACTIONS – REPORT #2019-16172**

The Department has reviewed the Auditor-Controller's report and agrees with the findings and recommendations. Attached is the Department's plan of corrective action.

Please let me know if you have any questions, or your staff may contact Derrick Robinson, Human Resources Manager, at (562) 551-3301 or Sherise C. English, Branch Manager, at (562) 551-3303.

AJ:DR:SCE
AC:ac

Attachment

"To Enrich Lives Through Effective And Caring Service"

¹ In this section the Department should only describe the efforts they plan to take to implement the recommendation.

DEPARTMENT OF PUBLIC SOCIAL SERVICES IMPROVEMENT OPPORTUNITIES NOTED DURING LIMITED REVIEW #2019-16172 DEPARTMENT ACTION PLAN/RESPONSE	
ISSUE 1: EMPLOYEE MISCONDUCT REFERRALS	
A/C Recommendation	<p>DPSS management develop and implement formal procedures, consistent with applicable DHR policies and guidelines, to ensure designated staff:</p> <ul style="list-style-type: none"> a) Notifies all responsible parties of substantiated cases of employee misconduct timely. b) Transmits the notifications via a traceable and verifiable medium, such as e-mail, ideally to a group mailbox so that timely receipt and processing of such notifications is not dependent on any single employee. c) Takes timely administrative and disciplinary actions, particularly in discharge cases involving work-related crimes or other significant misconduct d) Tracks and ages cases to ensure administrative actions are timely and meet County and Department policies and expectations. e) Are trained on the newly documented procedures.
Priority	PRIORITY 1
Agree/Disagree	Agree

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Department Action Plan¹	<p>The Department agrees with the stated recommendation for this finding. Below are the corrective action measures that have been implemented or targeted for implementation to address the weaknesses identified during the limited audit.</p> <p><i>Responsive to A/C Recommendations A & B:</i></p> <p>Internal Affairs (IA) and the Welfare Fraud Prevention and Investigations (WFP&I) Sections have established a process to ensure that all parties are notified in a timely manner when there is a substantiated case involving employee misconduct.</p> <p>This process includes the establishment of a dedicated mailbox to allow for a secured and timely exchange of information between IA and WFP&I. A secured folder has also been established to transmit completed investigative reports and supporting documentation between WFP&I and IA.</p> <p>Whenever information is transmitted via the dedicated mailbox, an email notification is sent to the receiving operation to notify them that action is required. The dedicated mailbox will be monitored daily by designated staff in the WFP&I and IA operations.</p> <p>Status: Implemented on June 30, 2021.</p> <p><i>Responsive to A/C Recommendations C, D & E:</i></p> <p>In order to ensure the timely processing of referrals for discipline, DPSS Human Resources (HR) established a process to track requests for discipline from the IA Unit to the Discipline Unit on all substantiated cases involving employee misconduct. This process includes logging all cases received from WFP&I, WeTip and internally (Office Heads, Program Integrity Compliance Officers, anonymous/employee referrals) to ensure proper tracking and reporting to the A/C.</p> <p>The IA Unit will be responsible for logging all cases and preparing them for transfer to the Discipline Unit. When the cases are ready for referral, the IA Unit will send a formal memo and supporting documents to the Discipline Unit via confidential email and in a hard copy format with an office transmittal.</p> <p>Upon receipt of the referrals from IA, the Discipline Unit will log all incoming referrals into the Employment Discrimination and Disciplinary Action Tracking System (EDDATS) to track the receipt and completion of discipline on substantiated cases.</p>
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ISSUE 1: EMPLOYEE MISCONDUCT REFERRALS	
	<p>The cases received by the Discipline Unit will also be triaged and undergo an in-depth review to determine case prioritization with a goal of giving higher priority to sensitive cases involving sexual harassment, employee fraud, workplace violence, etc. Although all cases will be tracked for timely completion, significant work-related crimes or misconduct will be processed as a priority to minimize departmental exposure.</p> <p>In July 2021, HR will be training all Departmental Civil Services Representatives assigned to the Discipline Units on the new procedures and triage of cases, as well as actions to take on cases when employees are off work due to a medical leave of absence.</p> <p>Status: Targeted for completion by July 15, 2021.</p> <p>HR Management has also developed a recurring managerial report that will be generated monthly to monitor the receipt, transfer and completion of referrals from WFP&I to the IA Unit and requests for discipline from IA to the Discipline Unit. The report will be generated on the departmental Work Assignment System and include all pending cases entered on the IA logs and EDDATS database. This will assist management in the tracking of all pending cases and enable the shifting of priorities to ensure the timely completion of cases.</p> <p>Status: Implemented on June 30, 2021.</p>
Planned Implementation Date	All corrective action will be completed by July 15, 2021.

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