



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

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November 14, 2023

TO: Supervisor Janice Hahn, Chair
Supervisor Hilda L. Solis
Supervisor Holly J. Mitchell
Supervisor Lindsey P. Horvath
Supervisor Kathryn Barger

FROM: Oscar Valdez
Auditor-Controller

SUBJECT: **FRAUD HOTLINE SEMI-ANNUAL REPORT – JANUARY 1, 2023
THROUGH JUNE 30, 2023**

The Auditor-Controller's Office of County Investigations (OCI) operates the Los Angeles County (County) Fraud, Waste, and Abuse Hotline (Hotline) pursuant to California Government Code Section (§) 53087.6. OCI investigates, or refers for investigation, alleged criminal and administrative misconduct within County government pursuant to California Penal Code § 830.13 and Board of Supervisors Policy 9.040. OCI also tracks and compiles the results of Hotline investigations referred to, and conducted by, other County departments to ensure the allegations are properly investigated.

This report summarizes investigations concerning allegations of fraud, waste, and abuse of resources that were completed between January and June 2023, including statistical summaries, criminal prosecution results, and disciplinary and/or corrective actions imposed.

Investigative Results

Investigative Activity

- 529 Cases Completed Countywide
 - 149 Substantiated (28.1%)
- 546 New Cases Reported (9.5% decrease from prior period)
- 948 Cases Under Active Investigation (1.8% increase from prior period)

The following chart summarizes Hotline case investigative activity for the current period, which ended with **948 open cases** under investigation.

Comparison of Current Case Counts with the Prior Reporting Period

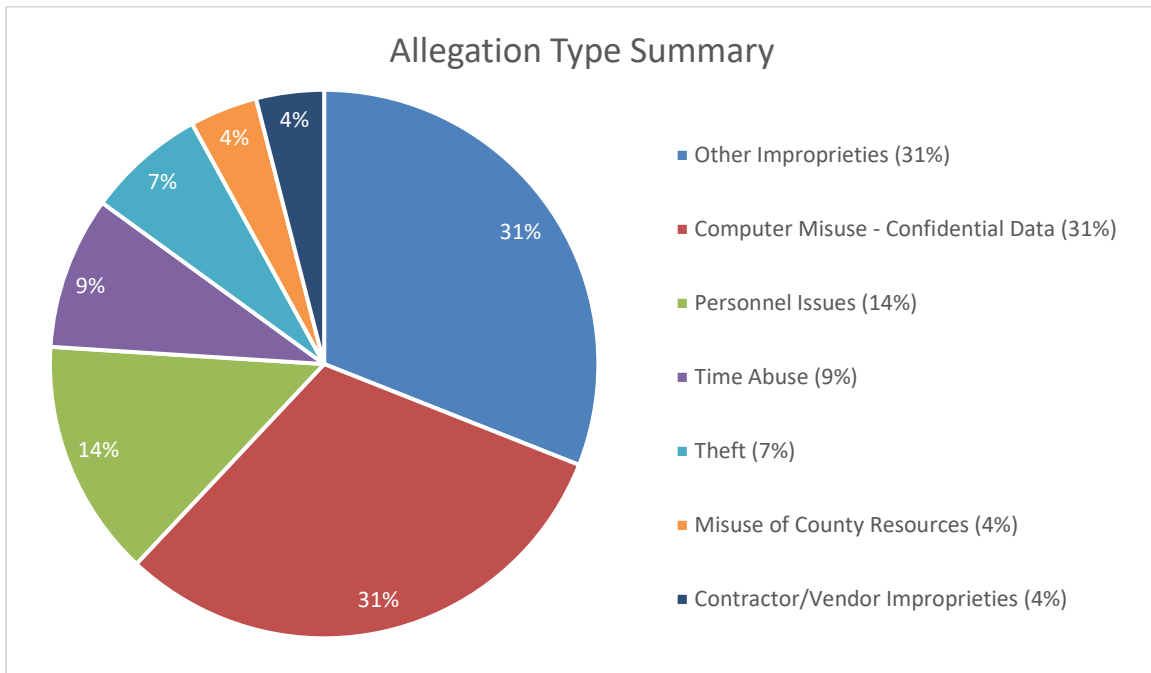
CASE STATUS	SEMI-ANNUAL PERIOD ENDING		
	12/31/2022	06/30/2023	% Increase (Decrease)
Beginning Caseload	894	931	4.1%
- Cases Closed	(566)	(529)	(6.5)%
+ New Cases Opened	603	546	(9.5)%
Ending Caseload	931	948	1.8%

Included in the 529 completed cases identified above, are **131** cases closed as “Not Investigated” (as categorized on Attachment I) involving issues that were either not jurisdictional to OCI (which we referred to other agencies, as appropriate), or did not include sufficiently detailed information that would allow a meaningful investigation to be conducted.

Case Turnover

- The number of cases **closed** during the period **decreased by approximately 6.5%** over the prior 6-month period.
- Also, the number of cases **under investigation for more than one year increased by approximately 7.3%** since the prior reporting period.

Allegation Types – Substantiated Cases



- The **Other Improprieties** category includes the following most commonly substantiated subcategories:
 - Violations of County or departmental policies and/or procedures (54%)
 - Violations of outside employment (20%)
 - Falsification of County records (13%)
 - Failure to perform job duties or services (9%)
- The **Personnel Issues** category includes the following substantiated subcategories:
 - Unprofessional behavior (43%)
 - Falsification of medical certifications (29%)
 - Exam/Hiring improprieties (14%)

Disciplinary and/or Corrective Actions

- Of the **149** cases substantiated during this reporting period, departments reported that they finalized and imposed **165** separate disciplinary actions. In addition, of the **27** cases closed in prior periods where discipline/corrective actions were resolved in the current period, **50** separate disciplinary actions were finalized. The number of separate disciplinary actions exceeds the number of closed cases because some cases involve more than one subject and/or corrective/disciplinary actions taken.

- For all actions finalized, **approximately 54%** resulted in **significant disciplinary actions**, including **discharges**, being imposed.¹

ACTION(S) TAKEN	Current Period 01/01/23 to 06/30/23	Prior Periods	Total	%
Significant Disciplinary Action²				
Discharged	8	1	9	4%
Resigned/Retired/Resigned in Lieu of Discharge	19	8	27	13%
Notice to Receiving Department, Notice in Personnel Folder (Top of File, Do Not Rehire or other restrictions)	15	7	22	10%
Suspended - 15 to 30 Days	2	5	7	3%
Suspended - Less than 15 Days	39	12	51	24%
Subtotal	83	33	116	54%
Moderate Corrective Action³				
Counseled, Notice of Expectation, Procedures Changed/Reinforced, Training, Reprimanded/Warning, etc.	82	17	99	46%
TOTAL ACTIONS TAKEN:	165	50	215	100%

Prosecutions and Criminal Convictions

- A County manager engaged in a bribery and kickback scheme with multiple County vendors. The manager was convicted in federal court of tax fraud and making false statements and was sentenced to 24 months of probation and ordered to pay \$110,021 restitution to the Internal Revenue Service. A real estate developer was sentenced to 48 months in federal prison and ordered to pay \$1,149,000 in restitution.⁴
- A County contract employee was convicted of misdemeanor grand theft for stealing and selling new County computers. The employee was ordered to serve 20 hours of community service and to pay \$21,188 in restitution for the stolen computers that were not recovered.

¹ Disciplinary actions reported as of the date of this report. All administrative actions may be appealed, and thus may later change as a result of civil service processes.

² "Significant Disciplinary Actions" involve the loss of County pay (such as suspensions) or employment.

³ "Moderate Corrective Actions" do not result in the loss of County pay or employment.

⁴ This prosecution was the result of a separate federal investigation to which Los Angeles County was not a participant. Similar allegations were concurrently investigated by OCI and referred to the Los Angeles District Attorney (LADA) for prosecution, and LADA deferred action to federal authorities.

- A County employee filed fraudulent Unemployment Insurance claims with the California Employment Development Department (EDD) resulting in the theft of \$38,100 in pandemic-related unemployment benefits. The employee entered a negotiated disposition and paid \$35,760 in restitution to the EDD resulting in LADA dropping all criminal charges.
- Two private individuals were convicted of felony grand theft for stealing County equipment valued at \$2,500. One subject was sentenced to serve two years in County jail and the other subject was sentenced to sixteen months in County jail.
- Nine (9) new cases were referred to LADA for prosecution involving investigative efforts by OCI, in which we found evidence that the subjects committed crimes against the County.
- Twenty-three (23) cases remain in progress with LADA and other law enforcement agencies.

Status of Cases Referred for Criminal Prosecution*

Status	Number of Cases
Beginning Caseload	19
+ New Cases Referred	9
- Cases Adjudicated	
• Convicted/Sentenced	(3)
• Negotiated Disposition (Restitution and/or Community Service)	(1)
• Not Prosecuted	(1)
Ending Caseload**	23

* Includes status of all cases received by the Hotline including cases investigated by OCI, and cases ultimately investigated and referred for criminal prosecution by another law enforcement agency.

** Ending Caseload includes cases pending a filing decision by the prosecutorial agency, cases in various stages of court proceedings, and cases in which criminal charges have been filed with the Court and awaiting apprehension or surrender of the subject(s).

Index of Attachments

- Attachment I** – Closed Case Summary (substantiated, not substantiated, and not investigated, by department)
- Attachment II** – Summary of Substantiated Cases (case narratives, by department)
- Attachment III** – Resolved and Pending Disciplinary/Corrective Actions (by department and case number)
- Attachment IV** – Assigned Investigations Open Over One Year (by department)

Board of Supervisors
November 14, 2023
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We thank management and staff at each County department for their assistance and cooperation during our investigations and case tracking process. If you have any questions please call me, or your staff may contact Greg Hellmold at (213) 893-0243 or ghellmold@auditor.lacounty.gov.

OV:RGC:GH:TW:cm

Fraud Hotline Status ending 06/30/2023

Attachments (4)

c: Fesia A. Davenport, Chief Executive Officer
Celia Zavala, Executive Officer, Board of Supervisors
Department Heads
Audit Committee
Countywide Communications



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER
LOS ANGELES COUNTY FRAUD HOTLINE
CLOSED CASE SUMMARY
January 1, 2023 through June 30, 2023**

	<i>Not Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated¹</i>	<i>Totals</i>	
<u>CASES INVESTIGATED BY AUDITOR-CONTROLLER:</u>					
Office of County Investigations	10	21	83	114	21.6%
<u>CASES REFERRED TO AND INVESTIGATED BY OTHER DEPARTMENTS:</u>					
Agricultural Commissioner/Weights and Measures	1	0	0	1	0.2%
Assessor	0	0	1	1	0.2%
Beaches and Harbors	2	0	0	2	0.4%
Board of Supervisors	1	1	0	2	0.4%
Chief Executive Office	1	0	0	1	0.2%
Chief Executive Office - Risk Management	0	0	1	1	0.2%
Child Support Services	0	0	1	1	0.2%
Children and Family Services	22	35	2	59	11.2%
Consumer and Business Affairs	0	0	1	1	0.2%
County Counsel	0	1	0	1	0.2%
District Attorney	0	5	0	5	0.9%
Economic Opportunity	2	0	0	2	0.4%
Fire	4	2	10	16	3.0%
Health Services	19	38	12	69	13.0%
Human Resources	0	1	0	1	0.2%
Human Resources (Countywide)	3	15	3	21	4.0%
Internal Services	2	10	2	14	2.6%
LA County Library	0	1	0	1	0.2%
Los Angeles Homeless Services Authority	1	5	3	9	1.7%
Medical Examiner	0	1	0	1	0.2%
Mental Health	2	16	5	23	4.3%
Office of Inspector General	1	0	0	1	0.2%
Parks and Recreation	0	2	0	2	0.4%
Probation	2	13	1	16	3.0%
Public Health	0	9	0	9	1.7%
Public Social Services	70	65	6	141	26.7%
Public Works	6	3	0	9	1.7%
Registrar-Recorder/County Clerk	0	1	0	1	0.2%
Sheriff	0	3	0	3	0.6%
Treasurer and Tax Collector	0	1	0	1	0.2%
Other Departments Total:	139	228	48	415	78.4%

Grand Total

149	28.1%	249	47.1%	131	24.8%	529	100%
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1) Cases not investigated due to immateriality, the allegation was previously investigated, referred to outside agencies, or insufficient information was provided. In addition, 20 of 131 cases were referred to the County Equity Oversight Panel (CEOP) for investigation. CEOP does not report their findings back to Office of County Investigations and, therefore, should be contacted directly for further information.



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

**SUMMARY OF SUBSTANTIATED CASES
FOR THE PERIOD JANUARY 1, 2023 THROUGH JUNE 30, 2023**

SUBSTANTIATED CASES INVESTIGATED BY AUDITOR-CONTROLLER

Aging and Disabilities Department (AD)

Case Number: 202219034 – Theft

An AD employee filed a fraudulent Unemployment Insurance (UI) claim with the California Employment Development Department (EDD), falsified continuing certifications of eligibility, and received \$38,100 in illicit UI benefits, including enhanced benefits from pandemic-related programs. The employee also falsified annual outside employment declarations. This fraud was referred to the Los Angeles District Attorney's Office (LADA) which entered into a negotiated disposition with the subject, resulting in the employee making full restitution and LADA dropping all criminal charges. AD indicated that disciplinary action is pending.

Chief Executive Office (CEO)

Case Number: 201612376 – Contractor/Vendor Improprieties

A CEO manager engaged in a bribery and kickback scheme with multiple County vendors. The CEO manager retired in lieu of discharge, was sentenced to 24 months of probation, and ordered to pay \$110,021 in restitution by a federal judge. The County vendor was sentenced to 48 months in Federal prison and ordered to pay \$1,149,000 in restitution.¹ OCI's investigation found evidence that the CEO manager responsible for overseeing the Division was negligent in performing their duties, accepted concert tickets from a vendor, and retired in lieu of discharge. A CEO employee who did not disclose outside business interests and investment properties that may have conflicted with their County duties retired during the investigation. Two additional CEO employees created the appearance of a conflict of interest by accepting gifts such as tickets to various sporting and entertainment events from various County vendors. CEO indicated that one employee received a 10-day suspension without pay and the other employee received a 5-day suspension without pay. Additionally, the CEO re-trained all Division staff on conflict-of-interest requirements and issued admonition letters to 11 vendors whose representatives provided gifts to CEO employees reminding them of County policy and the contract requirements regarding conflicts-of-interest and reporting.

Countywide

Case Number: 202218842 – Other Improprieties

An unknown perpetrator impersonated a County buyer by submitting fraudulent purchase orders (POs) to obtain goods. Specifically, the perpetrator used an alias to create fictitious e-mail addresses and submitted fraudulent POs to County vendors.

¹ This prosecution was the result of a separate federal investigation in which Los Angeles County was not a participant. Similar allegations were concurrently investigated by OCI and referred to the Los Angeles District Attorney (LADA) for prosecution, and LADA deferred action to federal authorities.

Summary of Substantiated Cases

Although there was no loss to the County and we were unable to identify the perpetrator, we obtained a court order and seized the domains used in the fraud scheme and all e-mail and website accounts are now deactivated. We also filed a complaint with the Internet Crime Complaint Center operated by the Federal Bureau of Investigation, to cross reference this information against other crimes.

Countywide (continued)

Case Numbers: 202219616 and 202320078 – Theft

Two County warrants totaling \$16,702 were altered and/or negotiated into bank accounts by someone other than the payee. We were unable to positively identify the perpetrator(s), but the Wells Fargo Bank's Positive Pay system prevented one warrant from being paid and Chase Bank reimbursed the County for the second warrant.

Department of Children and Family Services (DCFS)

Case Number: 202219189 – Theft

A former employee of a County vendor stole three County warrants totaling \$3,133 from a DCFS client, endorsed the checks in their own name and deposited them into their personal bank account. The DCFS client was reimbursed and we referred the matter to LADA for possible prosecution.

Probation Department (Probation)

Case Number: 202219032 – Theft

A Probation supervisor filed fraudulent UI claims with the EDD, falsified continuing certifications of eligibility, and received \$55,500 in illicit UI benefits including enhanced benefits from pandemic-related programs. We notified the EDD of the false claim and referred the matter to LADA for possible prosecution. Probation indicated that disciplinary action is pending.

Department of Public Health (DPH)

Case Number: 202118242 – Other Improprieties

A DPH manager inappropriately instructed staff to request documents containing Personally Identifiable Information (PII) be submitted via e-mail, but did not instruct staff to encrypt the messages. Another DPH employee inappropriately forwarded confidential information to their personal e-mail account. DPH indicated that both employees were counseled on applicable policies and procedures.

Department of Public Social Services (DPSS)

Case Number: 202118097 – Theft

A DPSS employee improperly accessed the California Statewide Automated Welfare System (CalSAWS) to view personal and confidential information in participants' case records without authorization or a legitimate County business need. The employee also misused the PII of three DPSS participants to commit identity theft as part of a scheme to steal the client's federal Economic Impact Payment (EIP) prepaid debit cards, each containing \$1,400, resulting in a theft of \$4,200. We determined the DPSS employee activated all three stolen EIP cards from their personal cell phone and used one card to make a \$203 purchase at a liquor store. We referred the matter to LADA for possible prosecution. DPSS indicated that the employee resigned in lieu of discharge and a Top of File² was placed in their personnel folder.

² A Top of File memo documents information relevant to the employee's work history (i.e., including misconduct that occurred prior to the employee's resignation). The memo is placed at the top of the

Summary of Substantiated Cases

Treasurer and Tax Collector (TTC)

Case Number: 202119268 – Personnel Issue

A TTC employee submitted six falsified medical certifications resulting in the theft of \$37,187 in fraudulent long-term disability payments over a 16-month period. The mental health services provider who signed the certifications admitted they are not a licensed healthcare provider and that they instructed their staff to sign the name of a licensed doctor on the certifications. We referred the matter to LADA for possible prosecution.

TOTAL SUBSTANTIATED CASES INVESTIGATED BY AUDITOR-CONTROLLER: 10

employee's personnel file so that anyone who reviews the file will be immediately aware of the information contained in the memo.

Summary of Substantiated Cases

CASES REFERRED TO AND SUBSTANTIATED BY OTHER DEPARTMENTS

Agricultural Commissioner/Weights and Measures (AC/WM)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
1	0	0	1

Substantiated Cases:

Primary Allegation Type(s)	No.
Time Abuse	1
Total:	1

High Risk / Impact Case Summaries

None

Summary of Substantiated Cases

Department of Beaches and Harbors (BH)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
2	0	0	2

Substantiated Cases:

Primary Allegation Type(s)	No.
Other Improprieties	2
Total:	2

High Risk / Impact Case Summaries

Case Number: 202319853 – Other Improprieties

A BH facility was found to have safety and health issues including lack of ventilation, electrical hazards, pest infestation, and inadequate workspaces for employees. BH determined that the issues were not reportable to the Occupational Safety and Health Administration and were resolved through various corrective actions including installing new air conditioning units.

Case Number: 202319854 – Other Improprieties

BH failed to process six customer refunds in a timely manner. BH indicated that they are implementing additional controls and will include refund processing in their annual Internal Control Certification Program.

Summary of Substantiated Cases

Board of Supervisors (BOS)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
1	1	0	2

Substantiated Cases:

Primary Allegation Type(s)	No.
Personnel Issues	1
Total:	1

High Risk / Impact Case Summaries

None

Summary of Substantiated Cases

Chief Executive Office (CEO)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
1	0	0	1

Substantiated Cases:

Primary Allegation Type(s)	No.
Time Abuse	1
Total:	1

High Risk / Impact Case Summaries

Case Number: 202219418 – Time Abuse

Two CEO managers failed to follow departmental telework protocols when approving a subordinate's out-of-state telework arrangement. CEO indicated that disciplinary actions are pending.

Summary of Substantiated Cases

Department of Children and Family Services (DCFS)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
23 ³	35	2	60

Substantiated Cases:

Primary Allegation Type(s)	No.
Other Improprieties	10
Personnel Issues	10
Time Abuse	2
Computer Misuse (Confidential Data)	1
Total:	23

High Risk / Impact Case Summaries

Case Number: 202219374 – Personnel Issues

A DCFS employee engaged in a conflict of interest by renting their home to a relative caregiver of DCFS-supervised children whose case they supervised. DCFS indicated that the employee received a 1-day Suspension with Education Based Discipline.

Case Number: 202219434 – Other Improprieties

A DCFS employee submitted a mileage claim and field itinerary for an in-person visit they falsely claimed to have conducted two days before DCFS recorded the complaint. The minor's case was appropriately handled later by another DCFS employee. DCFS indicated that the employee received a 20-day suspension without pay.

Case Number: 202219450 – Personnel Issues

A DCFS employee submitted three falsified medical certifications to excuse their absences from work. DCFS indicated that the employee resigned in lieu of discharge and a Top of File was placed in their personnel folder. Clarification is pending from DCFS regarding recovery of any salary overpayments.

Case Number: 202219564 – Computer Misuse (Confidential Data)

A DCFS employee breached confidentiality by accessing confidential data on Child Welfare Services/Case Management System (CWS/CMS) without a business need and sharing confidential information about a participant's case with another individual who was not entitled to receive it. DCFS indicated that the employee received a 15-day suspension.

Case Number: 202219611 – Personnel Issues

A DCFS employee exposed themselves to a member of the public and later made false statements to investigators. Local law enforcement arrested the employee, but prosecutors declined to file charges. The employee also failed to report outside employment. DCFS intends to give the employee a 30-day suspension without pay.

³ One substantiated case was investigated by the Department of Human Resources (DHR).

Summary of Substantiated Cases

Case Number: 202219623 – Personnel Issues

A DCFS employee allowed their child to be driven by an intoxicated individual and committed an act of domestic violence against their partner in the child's presence. While law enforcement did not pursue prosecution, based on the employee's admission and prior documented incidents of child neglect, DCFS intends to discharge the employee.

Case Number: 202219668 – Other Improprieties

A DCFS employee violated departmental policy by accepting a gift from a DCFS resource parent. Because they could not confirm when the gift was given, DCFS was unable to determine whether the gift had any influence on the approval of the parent's home as a DCFS resource. DCFS intends to give the employee a 10-day suspension without pay.

Case Number: 202219698 – Time Abuse

A DCFS employee who is subject to the federal Fair Labor Standards Act failed to inform their supervisor that they would not return to the office following a civil service exam and overstated the time spent participating in the exam (covered County leave) on their timecard, which resulted in the employee being overpaid or did not result in a reduction in the employee's leave benefits had the absence been properly approved. DCFS investigators also noted the employee was uncooperative when asked to amend their timecard. DCFS indicated that the employee received a 10-day suspension without pay. Clarification is pending from DCFS regarding the employee's timecard correction (to unauthorized leave without pay) and corresponding pay adjustment.

Case Number: 202219707 – Other Improprieties

A DCFS clerical employee engaged in unreported full-time work as a security officer at a non-County medical facility and exceeded the 24-hour per week limit on outside employment specified in the County Code. DCFS indicated that the employee retired from County service before they could take any administrative action.

Case Number: 202219720 – Personnel Issue

A DCFS employee improperly raised a candidate's Appraisal of Promotability score. DCFS indicated that disciplinary action is pending.

Case Number: 202219754 – Personnel Issues

A DCFS employee threatened a member of the public during an altercation. DCFS indicated that the employee received a written reprimand.

Case Number: 202219768 – Other Improprieties

A DCFS employee violated policy by failing to redact confidential information on an official form. DCFS indicated that disciplinary action is pending.

Case Number: 202319820 – Personnel Issues

A DCFS employee was charged with Driving Under the Influence while on duty, provided a false statement during an administrative investigation, and falsified their timesheet to claim time for hours not worked. DCFS indicated that disciplinary action is pending.

Summary of Substantiated Cases

Case Number: 202319835 – Other Improprieties

A DCFS clerical employee engaged in unreported full-time employment with the Los Angeles Department of Water and Power since March 2017 in excess of permitted outside employment limits. Although DCFS investigators were unable to determine whether the employee's work shifts overlapped, the employee's supervisor stated that the employee's work was satisfactory. DCFS indicated that the employee resigned prior to discipline being imposed.

Case Number: 202319837 – Other Improprieties

A DCFS employee falsified CWS/CMS records by claiming to have contacted a client when they did not. DCFS indicated that disciplinary action is pending.

Case Number: 202319884 – Other Improprieties

A DCFS employee falsified CWS/CMS records by reporting a false location for a contact/visit with a client. DCFS indicated that the employee received a 10-day suspension without pay.

Case Number: 202319939 – Other Improprieties

A DCFS Social Worker failed to report their outside employment, exceeded the 24-hour per week limit on outside employment by working 30 hours per week, and was uncooperative when interviewed by investigators. DCFS indicated that disciplinary action is pending.

Case Number: 202319978 – Other Improprieties

A DCFS employee breached client confidentiality and violated policy by taking their spouse to a client's home to investigate a child welfare complaint. DCFS indicated that the employee transferred to Superior Court and they are working with DHR to determine the appropriateness of disclosing the investigative results to them as a non-County entity.

Summary of Substantiated Cases

Department of Economic Opportunity – Office of Small Business (OSB)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
2	0	0	2

Substantiated Cases:

Primary Allegation Type(s)	No.
Contractor/Vendor Improprieties	2
Total:	2

High Risk / Impact Case Summaries

Case Number: 201915415 – Contractor/Vendor Improprieties

A County contractor failed to meet all requirements for performing a Commercially Useful Function to qualify as a Local Small Business Enterprise (LSBE). The contractor was ordered to pay \$23,027.85 (\$1,941.43, the calculated difference between the awarded contract and the County's costs had the next bidder been selected, as well as of \$21,086.42, a 10% penalty on the awarded contract amount). OSB indicated that it is assessing the contractor's continuing eligibility for the LSBE program and working with Counsel and TTC to pursue collection of outstanding payments from the County contractor.

Case Number: 201915931 – Contractor/Vendor Improprieties

A County contractor failed to meet all requirements for performing a Commercially Useful Function to qualify as an LSBE. OSB indicated that the contractor did not misrepresent themselves in their initial application, but in light of their investigative findings, the contractor's LSBE certification expired and is ineligible for renewal. As a matter of protocol, OSB reviews LSBE applications to ensure principal agents from disbarred entities do not attempt to re-register with a different entity.

Summary of Substantiated Cases

Fire Department (Fire)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
5 ⁴	2	10	17

Substantiated Cases:

Primary Allegation Type(s)	No.
Personnel Issues	2
Misuse of County Resources	2
Other Improprieties	1
Total:	5

High Risk / Impact Case Summaries

Case Number: 202117723 – Misuse of County Resources

A Fire employee improperly stored and worked on non-County parts and equipment during work hours at a County facility. The employee also stored personal vehicles belonging to members of the public at a County facility. Fire indicated that the employee was counseled.

Case Number: 202118124 – Personnel Issues

An off-duty Fire employee assaulted a private individual and brandished a firearm. The employee was arrested and convicted of felony assault with force likely to produce great bodily injury. Fire indicated that the employee was discharged and intends to place a Top of File in their personnel folder.

Case Number: 202218589 – Other Improprieties

A Fire manager failed to report to their Disaster Service Worker assignment. Fire indicated that the employee recorded their time accurately and received a warning.

⁴ One substantiated case was investigated by the DHR.

Summary of Substantiated Cases

Department of Health Services (DHS)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
19	38	12	69

Substantiated Cases:

Primary Allegation Type(s)	No.
Other Improprieties	8
Time Abuse	7
Personnel Issues	2
Contractor/Vendor Improprieties	1
Misuse of Computer Resources	1
Total:	19

High Risk / Impact Case Summaries

Case Number: 201612270 – Other Improprieties

Orthopedic surgeons inappropriately directed unlicensed DHS interns to write and sign prescriptions for narcotics. DHS noted this practice has been ongoing since at least 2015. DHS intends to implement corrective action, including the development and implementation of policies and procedures for the ordering, issuance, security/storage, and destruction of prescription pads. DHS's implementation of an electronic medical record system has alleviated the risk created by physical prescription pads. DHS also referred the matter to the Health Authority Law Enforcement Task Force comprised of professionals from DHS, State DHS, the Sheriff's Department (Sheriff's), Los Angeles Police Department (LAPD), County Counsel, the District Attorney's Office, and the Los Angeles City Attorney's Office for further consideration of criminal investigation.

Case Number: 202016849 – Other Improprieties

A DHS manager authorized an employee to work excessive standby hours, exceeding the \$400 monthly maximum established in the labor agreement, for five different months during calendar years 2020 and 2021. As a result, the employee earned \$706.28 more than the maximum allowed over the two-year period. DHS indicated that managers and supervisors were reminded of their obligation to thoroughly review work schedules and timecards prior to approval to ensure no employee exceeds the monthly standby pay limit.

Case Number: 202117744 – Personnel Issues

A DHS employee submitted falsified medical certifications. DHS indicated the employee retired prior to the completion of the investigation, and a Top of File notice was placed in their personnel file.

Case Number: 202118483 – Personnel Issues

A DHS manager inappropriately promoted a DHS employee who did not meet the qualifications (e.g., knowledge and experience) for the position because of their personal friendship. The employee admitted they falsely described their experience on

Summary of Substantiated Cases

their application. DHS indicated that the manager was discharged from County service for an unrelated reason during the investigation, and disciplinary action is pending for the employee.

Case Number: 202118511 – Time Abuse

A DHS employee submitted seven timecards between October 2020 and May 2021 with altered timestamps to conceal tardiness. DHS indicated that disciplinary action is pending.

Case Number: 202218632 – Other Improprieties

A DHS employee failed to report outside employment activities performed since 2020. DHS indicated they issued a notice of expectations to the employee.

Case Number: 202219002 – Other Improprieties

A DHS employee submitted a fraudulent vaccine record. DHS indicated that disciplinary action is pending.

Case Number: 202219399 – Contractor/Vendor Improprieties

A DHS contract employee altered respiratory mask fit test records and submitted the fraudulent certifications to Employee Health Services. DHS indicated that the contract employee is no longer providing services to DHS, nor will the staffing agency assign the contractor to DHS going forward.

Case Number: 202219444 – Time Abuse

A DHS physician recorded four hours worked for the County while engaged in outside employment. DHS indicated that the employee resigned from County service, and a Top of File notice was placed in their personnel folder. DHS noted the overpayment amount is immaterial and will not seek reimbursement.

Case Number: 202219760 – Time Abuse

A DHS employee failed to report to work for more than three consecutive days and failed to provide acceptable documentation confirming their inability to report to work. DHS terminated the employee based on an Acceptance of Implied Resignation and a Top of File notice was placed in their personnel folder.

Case Number: 202320151 – Other Improprieties

A DHS contractor and applicant for County employment submitted a fraudulent vaccine record. DHS indicated that the contract was terminated, and their offer of conditional employment was rescinded.

Case Number: 202320165 – Other Improprieties

A DHS employee engaged in unreported outside employment while absent on protected family leave. DHS indicated that the employee resigned.

Summary of Substantiated Cases

Internal Services Department (ISD)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
2	10	2	14

Substantiated Cases:

Primary Allegation Type(s)	No.
Personnel Issues	1
Time Abuse	1
Total:	2

High Risk / Impact Case Summaries

Case Number: 201814022 – Time Abuse

An ISD employee recorded hours worked while traveling internationally on vacation and failed to complete their expected job duties. ISD indicated they discharged the employee.

Case Number: 202219230 – Personnel Issues

An ISD manager inappropriately accessed the confidential assessment for a promotional examination. ISD indicated they discharged the employee.

Summary of Substantiated Cases

Los Angeles Homeless Services Authority (LAHSA)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
1	5	3	9

Substantiated Cases:

Primary Allegation Type(s)	No.
Contractor/Vendor Improprieties	1
Total:	1

High Risk / Impact Case Summaries

Case Number: 202016766 – Contractor/Vendor Improprieties

A LAHSA vendor employee fraudulently endorsed and misappropriated fifty-two (52) checks totaling \$27,410. The vendor employee was not an authorized payee for any of the funds, and although all misappropriated funds were repaid to LAHSA, the matter was reported to LAPD for investigation. LAHSA indicated the vendor employee resigned prior to discovery of the incident.

Summary of Substantiated Cases

Department of Mental Health (DMH)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
2	16	5	23

Substantiated Cases:

Primary Allegation Type(s)	No.
Other Improprieties	2
Total:	2

High Risk / Impact Case Summaries

Case Number: 201814974 – Other Improprieties

Two DMH employees misused their authority by submitting a Service Catalog Request to obtain a County-funded laptop computer for a volunteer who was related to one of the employees. DMH indicated that disciplinary actions are pending.

Case Number: 202118006 – Other Improprieties

A DMH employee negligently stored and transported a client's medication in violation of departmental policy and did not report it to their supervisor. The employee also failed to disclose the incident in the client's case notes. DMH indicated that disciplinary action is pending.

Summary of Substantiated Cases

Probation Department (Probation)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
3 ⁵	13	1	17

Substantiated Cases:

Primary Allegation Type(s)	No.
Other Improprieties	3
Total:	3

High Risk / Impact Case Summaries

Case Number: 202218829 – Other Improprieties

Two Probation executive managers failed to give advance notice to staff, parents, the Office of Inspector General (OIG), and the Probation Oversight Commission (POC) that the Department was transferring all juveniles from one juvenile hall to another. This disrupted the juveniles' routine and created risks to both juveniles and staff. Probation indicated that two executive managers were discharged.

⁵ One substantiated case was investigated by OIG and POC. One case was investigated by Probation Human Resources.

Summary of Substantiated Cases

Department of Public Health (DPH)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
1 ⁶	9		10

Substantiated Cases:

Primary Allegation Type(s)	No.
Time Abuse	1
Total:	1

High Risk / Impact Case Summaries

None

⁶ One substantiated case was investigated by the DHR.

Summary of Substantiated Cases

Department of Public Social Services (DPSS)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
70	65	6	141

Substantiated Cases:

Primary Allegation Type(s)	No.
Computer Misuse (Confidential Data)	46
Other Improprieties	18
Misuse of County Resources	3
Theft	1
Personnel Issues	2
Total:	70

High Risk / Impact Case Summaries

Case Number: 202218815 – Personnel Issues

A DPSS employee submitted eight falsified medical certifications during a 10-month period to excuse absences from work. DPSS intends to discharge the employee.

Case Number: 202219141 – Other Improprieties

A DPSS employee offered a 20-hour increase in eligible hours to In-Home Supportive Services recipients in exchange for enrolling with a home health care agency related to their unreported outside employment. DPSS indicated that the employee retired prior to the completion of the investigation, and a Top of File was placed in their personnel folder.

Case Number: 202219449 – Other Improprieties

A DPSS employee admitted that while previously employed by DMH, they altered their paystubs submitted as proof of income to qualify for a low-income home energy assistance program. In addition, they failed to report various outside employment activities. DPSS indicated that the employee received a 10-day suspension without pay.

Case Number: 202219535 – Personnel Issues

A DPSS employee submitted nine falsified medical certifications to excuse absences from work. DPSS indicated that the employee resigned from County service prior to the completion of the investigation and a Top of File was placed in their personnel file.

Case Number: 202219562 – Theft

A DPSS employee fraudulently claimed a household resident who did not live with them, in order to receive \$1,899 in CalFresh benefits and the matter was referred to LADA for prosecution. The DPSS employee also failed to report to their case worker that they were a departmental employee and that they received public assistance from the Department. DPSS indicated that the employee resigned prior to the imposition of discipline, and a Top of File was placed in their personnel file.

Summary of Substantiated Cases

Case Number: 202219660 – Personnel Issues

A DPSS employee submitted a falsified medical statement to excuse their absence from work for one day. DPSS indicated that the employee was discharged, and a Top of File was placed in their personnel folder.

Case Number: 202319842 – Personnel Issues

A DPSS employee fabricated a death threat letter and falsely attributed it to a member of the public. DPSS indicated that the employee received a 10-day suspension without pay.

Case Number: 202319951 – Other Improprieties

A DPSS employee engaged in unreported outside employment. In addition, they solicited co-workers to sell healthcare products at work during County work hours. Furthermore, they violated the admonishment administered during an investigative interview by later confronting a co-worker to determine whether someone had reported their misconduct. DPSS indicated that the employee received a 5-day suspension without pay.

Case Number: Various – Other Improprieties

DPSS investigated 11 cases involving 11 employees who did not report that either they and/or their relatives and/or friends received DPSS benefits. DPSS indicated that:

- 1 employee resigned from County service and a Top of File was placed,
 - 1 employee received a 5-day suspension without pay,
 - 7 employees received reprimands,
 - 1 employee received counseling, and
 - 1 employee's conduct did not warrant discipline.
-

Case Number: Various – Computer Misuse (Confidential Data)

DPSS investigated 46 cases involving 50 employees who improperly accessed CalSAWS and/or Medi-Cal Eligibility Data Systems to view participants' confidential case records without authorization or a legitimate County business need. In 29 of these cases, the employees failed to report that the participants were relatives and/or that participants received benefits while residing with the employee. DPSS indicated that:

- 1 employee was discharged from County service,
 - 29 employees received a 10-day suspension without pay,
 - 1 employee received a 5-day suspension without pay,
 - 6 employees received reprimands,
 - 1 employee received a warning,
 - 11 employees have disciplinary actions pending, and
 - 1 employee's conduct did not warrant discipline.
-

Summary of Substantiated Cases

Department of Public Works (DPW)

Investigative Results:

<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>Total</i>
6	3	0	9

Substantiated Cases:

Primary Allegation Type(s)	No.
Other Improprieties	3
Contractor/Vendor Improprieties	1
Theft	2
Total:	6

High Risk / Impact Case Summaries

Case Number: 202219155 – Theft

A contracted DPW security guard stole \$7,820 by misusing DPW credit card terminals to process fraudulent refunds to themselves. The Sheriff's arrested the employee and referred the matter to LADA for prosecution. DPW indicated that they implemented policy and procedures requiring terminals to be locked outside of business hours and requiring individually assigned passwords to prevent unauthorized access.

Case Number: 202219929 – Theft

Sheriff's Deputies arrested two non-County individuals for theft of equipment and copper pipes valued at \$2,500 from a DPW pump station facility. Both individuals were found guilty of grand theft and sentenced to County jail.



**LOS ANGELES COUNTY FRAUD HOTLINE
RESOLVED AND PENDING DISCIPLINARY / CORRECTIVE ACTIONS
FROM PREVIOUS SEMI-ANNUAL REPORTS
As of September 19, 2023**

Department	Resolved Cases Discipline/Corrective Action Taken	Pending Cases Discipline/Corrective Action	Number of Days Outstanding ⁽¹⁾
Aging and Disabilities	0	2	
		201915470 (2)	1156
		201915964 (4)	1291
Chief Executive Office	0	1	
		202118136 (2)	428
Children and Family Services	8	11	
		201915177 (2)	1156
		201915880 (3)	1206
		202016998	1001
		202017078 (3)	976
		202118201	568
		202118435 (3)	408
		202218649 (3)	387
		202218833	330
		202218907	351
		202219119	232
		202219319	205
County Counsel	1	0	
Fire	0	1	
		202118113	359
Health Services	9	25	
		201915127	543
		201915283	543
		201915398	1106
		201915583	543
		201915853	912
		201915896 (3)	1113
		201916091	731
		201916204 (3)	1103
		202016820	368
		202016836	191
		202016911	367
		202017109 (3)	731
		202017347	374
		202017483	374
		202117607	374
		202117608	237

(1) Calculated from date department issued investigation report. Per protocols issued by the Department of Human Resources (DHR), each department's management is responsible for prioritizing outstanding cases based on the level of discipline. Office of County Investigations (OCI) is not responsible for evaluating the cause or reasonableness of the delays. OCI's role is to follow up with departments for a status of pending discipline for inclusion in this report.

(2) Case investigated by OCI.

(3) Discipline is pending due to the employee(s)' leave of absence. DHR has issued protocols to assist departments with managing the disciplinary process with employees on leave. DHR has also recommended that each department consult with DHR and County Counsel on cases that involve discipline and employee leaves to determine the appropriate administrative actions to resolve such cases timely.

(4) Case investigated by DHR (Countywide).



**LOS ANGELES COUNTY FRAUD HOTLINE
RESOLVED AND PENDING DISCIPLINARY / CORRECTIVE ACTIONS
FROM PREVIOUS SEMI-ANNUAL REPORTS
As of September 19, 2023**

Department	Resolved Cases Discipline/Corrective Action Taken	Pending Cases Discipline/Corrective Action	Number of Days Outstanding (1)
Health Services (continued)			
		202117677	191
		202117710	372
		202117874	198
		202118274	197
		202118275	211
		202118326	493
		202118459	375
		202118515	366
		202218658	374
Internal Services	0	1	
		202016990 (2)	613
Medical Examiner	0	1	
		202117821	281
Mental Health	2	7	
		201713708	1305
		201814220	688
		201814792	365
		201814962	206
		201915645	569
		202017239	456
		202117945	414
Military and Veterans Affairs	1	0	
Parks and Recreation	4	0	
Public Defender	0	1	
		202017385 (2)	487
Public Social Services	2	5	
		202118068 (3)	819
		202118263	347
		202118271	424
		202218687	198
		202218705	273
Public Works	0	2	
		202219243	190
		202219287	198
Registrar-Recorder/County Clerk	0	1	
		202016728 (4)	602
Departments Total:	27	58	

(1) Calculated from date department issued investigation report. Per protocols issued by DHR, each department's management is responsible for prioritizing outstanding cases based on the level of discipline. OCI is not responsible for evaluating the cause or reasonableness of the delays. OCI's role is to follow up with departments for a status of pending discipline for inclusion in this report.

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(4) Case investigated by DHR (Countywide).



**LOS ANGELES COUNTY FRAUD HOTLINE
CASES ASSIGNED FOR INVESTIGATION
OPEN OVER ONE YEAR
BY DEPARTMENT/INVESTIGATION UNIT
As of June 30, 2023**

Department	Number of Cases Open Over One Year¹
Aging and Disabilities	2
Agricultural Commissioner/Weights and Measures	1
Assessor	2
Auditor-Controller (Administrative Services)	2
Chief Executive Office	7
County Counsel	13
Economic Opportunity	3
Economic Opportunity (Office of Small Business)	6
Fire	9
Health Services	68
Human Resources (Countywide)	10
Internal Services	27
LA County Library	1
Los Angeles Homeless Services Authority	4
Medical Examiner	2
Mental Health	71
Military and Veterans Affairs	2
Probation	2
Public Defender	9
Public Health	3
Public Social Services	5
Public Works	1
Sheriff	16

Total Number of Cases Outstanding Over One Year 266

(1) The Office of County Investigations (OCI) referred these cases to the applicable County departments since the nature of the allegations are such that they are more appropriately reviewed by the department.