



J. TYLER McCAULEY
AUDITOR-CONTROLLER

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

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January 10, 2002

TO: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley
Auditor-Controller

SUBJECT: **EMPLOYEE FRAUD HOTLINE STATUS REPORT**

The Employee Fraud Hotline opened 62 new investigations during the period ending December 31, 2001. We closed 105 cases of which 14 were substantiated, 70 were not substantiated and 21 cases for which we did not receive a response (see Attachments I, II, and III for details). As of December 31, 2001, 162 investigations were in progress.

Based on the 14 substantiated cases, the following personnel actions were taken:

Dismissed	2
Counseled	1
Procedures Changed	5
Pending	6

If you have any questions or need additional information, please contact me or your staff may contact Kris Kademian at (213) 893-2172.

JTM:MR:KK:ft

C: David E. Janssen, Chief Administrative Officer
Department Heads
Audit Committee

Attachments

**Auditor-Controller
Special Investigations Summary
October 1, 2001 through December 31, 2001**

SUMMARY OF SUBSTANTIATED CASES

CASES INVESTIGATED BY THE AUDITOR-CONTROLLER

20000118

A Superior Court employee was dismissed for embezzling money orders from the Court's Finance Division. This case is also under review by the District Attorney for possible prosecution.

20010236

A Department of Public Social Services (DPSS) employee fraudulently altered personnel records to hire a friend. Disciplinary action is pending.

20010334

A Department of Parks and Recreation employee improperly used a County vehicle for personal use. Disciplinary action is pending.

20020036

Unidentified perpetrators stole bus tokens totaling \$22,451 from the Department of Children and Family Services. Procedures have been changed.

20020075

Counterfeit checks totaling \$3,101 were cashed from a Department of Public Works account. Procedures have been changed.

20020105

Counterfeit checks totaling \$4,373 were cashed from a Department a Health Services (DHS) account. Procedures have been changed.

CASES REFERRED TO AND INVESTIGATED BY THE DEPARTMENTS

20010086

A DHS employee was counseled for abusing his work hours.

20010179

A DHS student worker was hired without verification of school enrollment. Procedures have been changed.

20020004

A DHS employee lost \$500 cash from a bank deposit. Disciplinary action is pending.

20020015

A Public Library employee stole two videos from the Library. The employee was dismissed.

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SUMMARY OF SUBSTANTIATED CASES

CASES REFERRED TO AND INVESTIGATED BY THE DEPARTMENTS

20020017

A DPSS employee stole a County computer. Disciplinary action is pending.

20020041

A DHS manager failed to take action after a doctor misdiagnosed several patients. Disciplinary action is pending.

20020054

A DPSS employee behaved inappropriately towards a co-worker. Disciplinary action is pending.

20020096

Unidentified perpetrators stole bus tokens totaling \$14,000 from a DHS facility. Procedures have been changed.

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Attachment II

SUMMARY OF UNSUBSTANTIATED CLOSED CASES:

Department	Work Hour Abuse	Theft	Other	Total
Office of Affirmative Action Compliance	0	0	1	1
Auditor-Controller	0	0	1	1
Children and Family Services	0	0	2	2
Community & Senior Services	0	0	1	1
County Public Library	0	0	2	2
Department of Human Resources	1	0	0	1
Department of Parks and Recreation	0	0	4	4
Department of Public Social Services	2	0	28	30
Department of Public Works	0	0	1	1
Department of Registrar-Recorder/County Clk	0	1	0	1
Fire Department	0	0	1	1
Department of Health Services	7	1	13	21
Internal Services Department	0	0	1	1
Office of Treasurer and Tax Collector	0	0	2	2
Unknown/Non-Departmental	0	0	1	1
TOTAL	<u>10</u>	<u>2</u>	<u>58</u>	<u>70</u>

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Special Investigations Summary
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Attachment III

SUMMARY OF CLOSED CASES

	Auditor-Controller		Departments		Total	
Substantiated	6	(35%)	8	(9%)	14	(13%)
Not Substantiated	11	(65%)	59	(68%)	70	(67%)
Not Investigated	0	(0%)	0	(0%)	0	(0%)
No Response Received	0	(0%)	21	(23%)	21	(20%)
Totals	<u>17</u>	(100%)	<u>88</u>	(100%)	<u>105</u>	(100%)