COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

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March 7, 2006

TO: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: J. Tyler McCauley
Auditor-Controller

SUBJECT: **QUARTERLY FRAUD HOTLINE STATUS REPORT**

The Los Angeles County Fraud Hotline opened 119 new investigations during the quarter ending December 31, 2005. The Office of County Investigations closed 117 cases, 30 of which were substantiated, 63 were not substantiated, and 24 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 December 31, 2005, 421 investigations were in progress.

Based on the 30 substantiated cases, the following personnel actions were taken. Some cases may include multiple suspects and multiple dispositions.

Community Service	1
Dismissed	3
Probation	1
Referred to District Attorney	1
Resigned	5
Restitution	3
Suspended	1
Verbal Warning	1
Disciplinary/Corrective Action Pending	26

If you have any questions or need additional information, please call me or have your staff call Marion Romeis at (626) 293-1400.

c: Audit Committee
David E. Janssen, Chief Administrative Officer
Department Heads
Public Information Office

Attachments

JTM:MR

Attachment I

COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN
Oct 01, 2005 *and* Dec 31, 2005

CASES INVESTIGATED BY AUDITOR CONTROLLER

Case Number: 20040230

A Fire Department (Fire) employee used his assigned County computer and email access to view and forward sexually explicit material. Disciplinary action is pending.

Case Number: 20040378

A Department of Public Social Services (DPSS) employee used his assigned County computer and Internet access to conduct personal business on County time. Disciplinary action is pending.

Case Number: 20040535

A Probation Department (Probation) employee used her assigned County computer and Internet access to visit non-work related websites. Disciplinary action is pending.

Case Number: 20050119

A Public Library (Library) employee used his assigned County computer and Internet access to download and view sexually explicit material. Disciplinary action is pending.

Case Number: 20050236

A Department of Public Work's contractor did not request/receive Departmental approval for subcontracting cart retrieval services to independent drivers, and failed to ensure that the drivers were covered by Workers' Compensation Insurance. In addition, several of the drivers had invalid, expired or suspended licenses. Corrective action is pending and the case was referred to the District Attorney's Office (DA) for review.

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SUMMARY OF SUBSTANTIATED CASES CLOSED BETWEEN

Oct 01, 2005 *and* Dec 31, 2005

Case Number: 20050272

An Animal Care and Control (ACC) employee did not turn in cash collections and falsified Departmental records to conceal the theft. Disciplinary action is pending.

Case Number: 20050497

A Coroner Department employee used his assigned County computer and Internet access to view dating websites and sexually explicit material. Disciplinary action is pending.

Case Number: 20050509

Systemic deficiencies with DHS physician timekeeping were identified during a review of timekeeping and oversight protocol. Corrective action is pending.

Case Number: 20050546

A Fire employee failed to comply with the department's Vehicle Use Policy. Disciplinary action is pending.

Case Number: 20050573

A Department of Children and Family Services (DCFS) employee threatened a co-worker. The employee resigned.

Case Number: 20060220

A Fire employee used his assigned County computer to receive and send sexually explicit images, via email. Disciplinary action is pending.

Total Cases Investigated By Auditor Controller 11

COUNTY OF LOS ANGELES
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SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN
Oct 01, 2005 *and* Dec 31, 2005

CASES REFERRED TO AND INVESTIGATED BY OTHER DEPARTMENTS

Case Number: 20020260

A DPSS employee failed to report to her department that she lived with her daughter, a Cal/WORKs participant. Disciplinary action is pending.

Case Number: 20030266

A DPSS employee pled guilty to one count of welfare fraud and one count of perjury for illegally receiving childcare benefits. The employee was sentenced to five years probation, 240 hours of community service and ordered to pay restitution of $40,500. The employee resigned and restitution is pending.

Case Number: 20030345

An Office of Public Safety (OPS) employee did not report actual hours worked on his timecard. He was also unprofessional when conducting County business with clients. The employee received a ten-day suspension.

Case Number: 20040540

Three DHS facility managers inappropriately authorized the transfer of $910,000 from a reinvestment fund maintained by a County contractor to another vendor without proper authorization. County Counsel is in the process of taking legal action. Two managers resigned and one manager was discharged.

Case Number: 20040611

A DHS physician conducted research for a non-County agency during his regular work hours. Disciplinary action is pending.

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SUMMARY OF SUBSTANTIATED CASES CLOSED BETWEEN

Oct 01, 2005 *and* Dec 31, 2005

Case Number: 20050060

An OPS employee created a conflict of interest when his unit processed background applications for his two nephews who worked for an OPS County contractor. Disciplinary action is pending.

Case Number: 20050121

A DHS physician worked at his outside employment while on paid sick leave from the County and failed to report his outside employment to the Department. Disciplinary action and restitution for seven paid sick leave days are pending.

Case Number: 20050307

A Library employee stole 37 Library videos/books (valued at $1,119). The employee later returned 28 of the items. The DA declined to prosecute and the employee was dismissed.

Case Number: 20050313

An Internal Services Department contractor billed $105 for vehicle repairs that were not made. The cost of the service was reversed. Corrective action is pending.

Case Number: 20050439

An ACC employee stole cash donations totaling less than $20. The Department intends to discharge the employee.

Case Number: 20050459

A Department of Mental Health employee submitted fraudulent Jury Duty verification forms and timecards for two days. The Department intends to discharge the employee.

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SUMMARY OF SUBSTANTIATED CASES CLOSED BETWEEN

Oct 01, 2005 *and* Dec 31, 2005

Case Number: 20050517

A DPSS employee inappropriately accessed the Los Angeles Eligibility Automated Determination Evaluation and Reporting System (LEADER) and Medi-Cal Eligibility Data System (MEDS) to review confidential welfare case records. Disciplinary action is pending.

Case Number: 20050519

A Regional Planning Department employee used a County vehicle to attend to personal business during his County work hours. The employee received a verbal warning and restitution for three hours of County time and the use of the vehicle is pending.

Case Number: 20050525

A Probation employee failed to properly secure confiscated weapons as evidence. Disciplinary action is pending.

Case Number: 20060078

A Probation employee used inappropriate and racially insensitive remarks toward minors. Disciplinary action is pending.

Case Number: 20060080

A DPSS employee inappropriately accessed LEADER and MEDS to view a former participant's confidential case records. Disciplinary action is pending.

Case Number: 20060090

Two Department of Parks and Recreation employees fraudulently duplicated an unknown number of parking tickets and sold them to unsuspecting park patrons. One employee resigned, and the other employee was dismissed.

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SUMMARY OF SUBSTANTIATED CASES CLOSED BETWEEN

Oct 01, 2005 *and* Dec 31, 2005

Case Number: 20060099

A DPSS employee inappropriately accessed LEADER and MEDS to view two participants' confidential case records. Disciplinary action is pending.

Case Number: 20060131

Three DCFS employees participated in fundraising activities without approval during work hours. Disciplinary actions are pending.

Total Cases Referred To And Investigated By Other Departments	19

Total Number of Substantiated Cases for this period is: 30

Attachment II

COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

Los Angeles County Fraud Hotline
CLOSED CASE SUMMARY
October 1, 2005 through December 31, 2005

	Substantiated		Not Substantiated		Other Dispositions		No Response		Total	
CASES INVESTIGATED BY AUDITOR-CONTROLLER:										
Office of County Investigations	11	26%	8	19%	24	55%			43	100%
CASES REFERRED TO AND INVESTIGATED BY OTHER DEPARTMENTS:										
Affirmative Action Compliance	1	25%	3	75%					4	100%
Animal Care & Control	1	50%	1	50%					2	100%
Children and Family Services	2	25%	6	75%					8	100%
Community & Senior Services			1	100%					1	100%
County Counsel			1	100%					1	100%
County Public Library	1	100%							1	100%
Department of Human Resources	2	40%	3	60%					5	100%
Department of Mental Health	1	33%	2	67%					3	100%
Department of Parks & Recreation	1	100%							1	100%
Department of Public Social Services	4	29%	10	71%					14	100%
Department of Public Works			3	100%					3	100%
Department Regional Planning	1	100%							1	100%
Fire Department			5	100%					5	100%
Health Services	3	27%	8	73%					11	100%
Internal Services	1	100%							1	100%
Office of Public Defender			1	100%					1	100%
Probation Department	1	10%	9	90%					10	100%
Sheriff's Department			2	100%					2	100%
Grand Total	30	26%	63	54%	24	20%	0	0%	117	100%