COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

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May 22, 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 155 new investigations during the quarter ending March 31, 2006. The Office of County Investigations closed 150 cases, 28 of which were substantiated, 60 were not substantiated, and 62 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 March 31, 2006, 384 investigations were in progress.

Based on the 28 substantiated cases, the following personnel actions were taken. Some cases may include multiple suspects and multiple dispositions.

Counseled	4
Dismissed	4
Referred to District Attorney	7
Reassigned	1
Resigned	1
Suspended	1
Disciplinary/Corrective Action Pending	19

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

"To Enrich Lives Through Effective and Caring Service"

COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

Attachment I

SUMMARY OF SUBSTANTIATED CASES
CLOSED BETWEEN
Jan 01, 2006 *and* Mar 31, 2006

CASES INVESTIGATED BY AUDITOR CONTROLLER

Case Number: 20040439

A Department of Children and Family Services (DCFS) employee used her County telephone to accept personal collect calls resulting in unauthorized charges totaling more than $2,000, and used her County computer to prepare and file fraudulent income tax returns. The employee also misused personal identity information on clients obtained from the Welfare Case Management Information System. Disciplinary action is pending, and the case was referred to the District Attorney's Office (DA), Franchise Tax Board and Internal Revenue Service for review.

Case Number: 20050067

A DCFS employee misused her assigned County computer, Internet and email to conduct personal business and to distribute inappropriate material to her friends and co-workers. Disciplinary action is pending.

Case Number: 20050229

A Department of Animal Care and Control Officer stole bags of donated dog food. Disciplinary action is pending.

Case Number: 20050373

A Department of Health Services (DHS) employee used his County email account for correspondence related to political campaign activity. The employee was reassigned.

Case Number: 20050379

A DCFS employee falsified her mileage claims, forged her supervisor's signature and submitted them for payment. The employee also claimed overtime she did not work and removed benefit variances from her approved timecards, resulting in a total overpayment of $9,054. Disciplinary action is pending, and the case was referred to the DA for review.

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SUMMARY OF SUBSTANTIATED CASES CLOSED BETWEEN

Jan 01, 2006 *and* Mar 31, 2006

Case Number: 20050386

A Department of Regional Planning (DRP) manager failed to sign his subordinate's timecards for one year, and two clerical employees admitted to minor time abuse. Also, Department management hired an employee who does not appear to meet the educational requirements for his position, and allowed him to telecommute without authorization. Disciplinary actions are pending.

Case Number: 20050507

A DCFS employee accessed/viewed sexually explicit material via his County computer and misused Internet passwords of former employees. The employee also accepted numerous personal collect calls on his County telephone from inmates in State prisons, resulting in unauthorized charges of more than $900. Disciplinary action is pending, and the case was referred to the DA for review.

Case Number: 20060047

Office of Public Safety (OPS) staff failed to properly process vendor invoices, resulting in underpayments to security guard contractors of more than $100,000. The Department is working with County Counsel towards a settlement with the affected companies.

Case Number: 20060056

A Department of Mental Health (DMH) employee's email history showed numerous inappropriate and sexually explicit messages. The employee was dismissed.

Case Number: 20060110

A DMH employee used her assigned County computer to illegally download and store music files and play games during work hours. Disciplinary action is pending.

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SUMMARY OF SUBSTANTIATED CASES CLOSED BETWEEN

Jan 01, 2006 *and* Mar 31, 2006

Case Number: 20060179

An Auditor-Controller employee was suspended for three days for using his County assigned computer to access the Internet for personal use and for making excessive personal calls during work hours. The employee later continued to access the Internet for personal use and was suspended an additional five days.

Case Number: 20060249

An Internal Services Department (ISD) employee used the County's Internet to access religious websites and downloaded, stored and listened to non-County related files consisting of audio and video recordings of religious lectures. Disciplinary action is pending.

Case Number: 20060255

A DHS employee received more than $10,000 for overtime that was not authorized/approved by management. Disciplinary action is pending and the case was referred to the DA for review.

Case Number: 20060341

A Parks and Recreation employee stole entrance fees totaling $315. The employee was dismissed and the case was referred to the DA for review.

Total Cases Investigated By Auditor Controller	14

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SUMMARY OF SUBSTANTIATED CASES CLOSED BETWEEN

Jan 01, 2006 *and* Mar 31, 2006

CASES REFERRED TO AND INVESTIGATED BY OTHER DEPARTMENTS

Case Number: 20020266

A DPSS employee failed to disclose that he participated in the CalWorks program. Another DPSS employee accessed confidential information involving his co-workers when he made unauthorized queries on the Los Angeles Eligibility Automated Determination Evaluation and Reporting System. Disciplinary actions are pending.

Case Number: 20040571

A DHS manager failed to accommodate employees with temporary work restrictions. Disciplinary action is pending.

Case Number: 20050303

A DHS employee failed to report her outside employment activities to her Department. The employee resigned.

Case Number: 20050323

A Probation Department (Probation) supervisor permitted some employees to take time off and make it up later without recording a timecard variance. The practice was discontinued and the supervisor was counseled.

Case Number: 20050460

A DPSS manager appointed an employee to a position prior to Department of Human Resources approval. Corrective action is pending.

Case Number: 20050501

A DCFS employee threatened his co-worker while on County time. Disciplinary action is pending.

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SUMMARY OF SUBSTANTIATED CASES CLOSED BETWEEN

Jan 01, 2006 *and* Mar 31, 2006

Case Number: 20060075

An ISD employee exceeded the 24 hour per week allowed for his outside employment. Disciplinary action is pending.

Case Number: 20060087

A Probation employee used County mail services to send chain letters to other County employees. Disciplinary action is pending.

Case Number: 20060133

A DCFS employee combined his mid-morning and mid-afternoon breaks to take his children to daycare. The employee was counseled.

Case Number: 20060142

A Public Library employee failed to report his outside employment to his Department. The employee was dismissed.

Case Number: 20060193

A DPSS employee did not report actual hours worked on his timecards. Disciplinary action is pending.

Case Number: 20060219

A DHS manager sold Cardio Pulmonary Resuscitation certification cards without requiring that students complete the mandatory course of training. The case was referred to the DA for review.

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SUMMARY OF SUBSTANTIATED CASES CLOSED BETWEEN

Jan 01, 2006 *and* Mar 31, 2006

Case Number: 20060272

A DPSS employee used several social security numbers during her County employment. The employee was dismissed, and the case was referred to the DA for review.

Case Number: 20060313

Two DMH employees used their email access to forward chain letters to other County employees. The employees were counseled.

Total Cases Referred To And Investigated By Other Departments	14

Total Number of Substantiated Cases for this period is: 28

Attachment II

COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

Los Angeles County Fraud Hotline
CLOSED CASE SUMMARY
January 1, 2006 through March 31, 2006

	Substantiated		Not Substantiated		Other Dispositions		Total	
CASES INVESTIGATED BY AUDITOR-CONTROLLER:								
Office of County Investigations	14	18%	18	23%	47	59%	79	100%
CASES REFERRED TO AND INVESTIGATED BY OTHER DEPARTMENTS:								
Affirmative Action Compliance	1	33%	2	67%			3	100%
Children and Family Services	2	29%	5	71%			7	100%
County Public Library	1	100%					1	100%
Department of Human Resources	1	25%	2	50%	1	25%	4	100%
Department of Mental Health	1	17%	4	67%	1	17%	6	100%
Department of Public Social Services	3	21%	7	50%	4	29%	14	100%
Department of Public Works			2	100%			2	100%
Department of Health Services	2	12%	10	59%	5	29%	17	100%
Internal Services Department	1	33%			2	67%	3	100%
Office of Assessor			2	100%			2	100%
Office of District Attorney			1	100%			1	100%
Office of Ombudsman					1	100%	1	100%
Probation Department	2	29%	4	57%	1	14%	7	100%
Sheriff's Department			3	100%			3	100%
Grand Total	28	19%	60	40%	62	41%	150	100%