



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

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8301 FAX: (213) 626-5427

OSCAR VALDEZ
AUDITOR-CONTROLLER

CONNIE YEE
CHIEF DEPUTY AUDITOR-CONTROLLER

ASSISTANT AUDITOR-CONTROLLERS:

ROBERT G. CAMPBELL
MAJIDA ADNAN

May 9, 2024

To: Audit Committee

From: Oscar Valdez
Auditor-Controller

Subject: **SUNSET REVIEW OF BOARD POLICY 9.040 – INVESTIGATIONS OF
POSSIBLE CRIMINAL ACTIVITY WITHIN COUNTY GOVERNMENT**

At the request of the Executive Office of the Board, we reviewed Board Policy 9.040 – Investigations of Possible Criminal Activity Within County Government. We have identified substantive updates to the policy, and accordingly request a short-term extension of the sunset review date to October 31, 2024 so we can review them with other involved departments.

If you have any questions or need additional information please call me, or your staff may contact Greg Hellmold, Chief, Office of County Investigations at (213) 893-0243 or via e-mail at ghellmold@auditor.lacounty.gov.

OV:CY:RGC:GH:TW

Attachment

c: Jeff Levinson, Interim Executive Officer, Board of Supervisors



Los Angeles County **BOARD OF SUPERVISORS POLICY MANUAL**

Policy #:	Title:	Effective Date:
9.040	Investigations Of Possible Criminal Activity Within County Government	09/08/81

PURPOSE

Mandates that the proper authorities be notified of any suspected criminal activity relating to fraud, waste, or misuse of County resources by a County employee or agency contracting with the County.

REFERENCE

[California Government Code Section 53087.6](#)

[California Penal Code Section 830.13](#)

[County Code 5.02.06 - Retaliation for reporting fraud, waste or misuse of County resources prohibited.](#)

Board of Supervisors [Policy Manual Section 6.109](#) – Security Incident Reporting

[Los Angeles County Code Section 2.10.010 – Bookkeeping and auditing of accounts – Control authority](#)

September 8, 1981 Board Order, [Synopsis 89](#)

November 17, 1987 [Board Order 70](#) instructing the CAO, Sheriff, County Counsel and Auditor-Controller to develop a detailed guideline for handling suspected employee theft

October 4, 1991 Auditor-Controller "[Special Investigations Unit History](#)" Guidelines for Handling the Investigation and Reporting of Employee Misconduct (Promulgated in December 1987 and revised in December 1992)

September 1, 1998 Auditor-Controller "[Employee Fraud Hotline Investigations](#)" memo to each department and district head.

March 18, 2014 [Board Order 19](#)

POLICY

The Board of Supervisors has designated the Sheriff's, District Attorney, and Auditor-Controller as the only County agencies with the authority to conduct criminal investigations relating to fraud, waste, or misuse of County resources within County government. These agencies have agreed that in all instances when it is suspected that a County employee or an agency contracting with the County has engaged in criminal activity, the Auditor-Controller's Office of County Investigations (OCI) is to be notified immediately. OCI will contact the appropriate law enforcement agency if necessary. Pursuant to established protocol, OCI will notify County Counsel when a County contractor is referred to the District Attorney for possible criminal violations.

No department may conduct any internal investigation without first notifying OCI. This ensures that only one department is investigating allegations of improprieties, and that all investigations are appropriately tracked. In order to provide Countywide oversight and accountability for investigations, the Auditor-Controller shall maintain a confidential Fraud Hotline Database of all allegations reported to OCI.

OCI may investigate, or refer out for investigation, allegations of misconduct reported to the Fraud Hotline. Departments shall report their investigative findings and conclusions to OCI within 90 days of receipt of a referral. Depending on the nature of the allegations and the outcome, the Auditor-Controller will report the results of his/her investigations to the Board of Supervisors, the appointing authority, and/or the Chief Executive Officer, as appropriate. The Auditor-Controller shall, if requested, honor requests for confidentiality from the District Attorney and Sheriff's. In addition, the Auditor-Controller will provide a semi-annual report to the Board of Supervisors summarizing the results of all closed investigations.

County departments, special districts, commissions, and other entities under the control of the Board of Supervisors, and their officers and employees, shall cooperate fully with official investigations. Except to the extent prohibited by law, the Auditor-Controller shall have access to and the authority to examine and reproduce, any and all books, accounts, reports, vouchers, correspondence files, and all other records, as well as the property, facilities, and premises of the County, its departments, special districts, and commissions, as may be material and relevant to his/her audits and investigations. Any officer or employee of any agency or entity having control of such records or property shall permit the Auditor-Controller access to, and examination and reproduction thereof, upon request of the Auditor-Controller or his/her designee. The Auditor-Controller shall comply with all statutory requirements of confidentiality, and assert all applicable privileges, with regard to records obtained in the course of its audits and investigations.

Any request to withhold access to records, information, or facilities that are not otherwise legally restricted from the Auditor-Controller must be approved by the Board of Supervisors.

RESPONSIBLE DEPARTMENT

Auditor-Controller

DATE ISSUED/SUNSET DATE

Issue Date: September 8, 1981
Review Date: August 21, 2003
Review Date: September 18, 2013
Review Date: March 18, 2014
Review Date: December 19, 2018
Review Date: October 18, 2023
Review Date: May 15, 2024

Sunset Date: September 8, 2003
Sunset Date: September 8, 2013
Sunset Date: November 30, 2013
Sunset Date: March 18, 2019
Sunset Date: December 31, 2023
Sunset Date: June 30, 2024
Sunset Date: October 31, 2024