
CITY AUDITOR'S QUARTERLY FRAUD HOTLINE REPORT

Fiscal Year 2019

Quarter 3

Office of the City
Auditor

City of San Diego



About the Fraud Hotline:

The Office of the City Auditor administers the City's Fraud Hotline program. The primary objective of the Fraud Hotline is to provide a means for a City employee or resident to confidentially report any activity or conduct—related to or involving City personnel, resources, or operations—for which he or she suspects instances of fraud, waste, or abuse.

The City's Fraud, Waste, and Abuse Hotline is operated pursuant to California Government Code §53087.6. The Statute defines fraud, waste, or abuse as "any activity by a local agency or employee that is undertaken in the performance of the employee's official duties, including activities deemed to be outside the scope of his or her employment, that is in violation of any local, state, or federal law or regulation relating to corruption, malfeasance, bribery, theft of government property, fraudulent claims, fraud, coercion, conversion, malicious prosecution, misuse of government property, or willful omission to perform duty, is economically wasteful, or involves gross misconduct."

The statute also requires that investigations conducted pursuant to its authority be confidential except to issue any report of an investigation that has been substantiated, or to release any findings resulting from a completed investigation that are deemed necessary to serve the interests of the public. In any event, the identity of the individual or individuals reporting the improper government activity, and the subject employee or employees, shall be kept confidential.

NAVEX, an independent third-party provider, accepts calls from City employees and the public at (866) 809-3500 or online at www.sandiego.gov/fraudhotline. Callers can choose to remain anonymous and all information provided via the Hotline will remain confidential. NAVEX prepares a report for each report received and sends them to the Office of the City Auditor via email notification. Reports can also be submitted directly to the Office of the City Auditor, or online by following a link labeled "Fraud, Waste, and Abuse Hotline" on the City Auditor's home page.



THE CITY OF SAN DIEGO

DATE: April 11, 2019
TO: Honorable Members of the Audit Committee
FROM: Kyle Elser, Interim City Auditor
SUBJECT: City Auditor's Quarterly Fraud Hotline Report – Fiscal Year 2019 Quarter 3

Reports Received in the Third Quarter of Fiscal Year 2019

During the third quarter of Fiscal Year 2019 (January – March 2019), we received 64 Fraud Hotline reports. We investigated nine new reports and presented 29 reports to the Intake and Review Committee to be referred to City Departments for investigation and resolution. We found that 26 reports were not in the purview of the Fraud Hotline and they were closed. **Table 1** on the following page summarizes the types of reports received during Fiscal Year 2019.



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TO REPORT FRAUD, WASTE, OR ABUSE, CALL OUR FRAUD HOTLINE: (866) 809-3500



Table 1:

Reports Received in Fiscal Year 2019

City Auditor Investigations	Qtr 1	Qtr 2	Qtr 3
Abuse	4	4	6
Accounting/Audit Irregularities	1	0	0
Conflict of Interest	0	1	0
Customer Relations	1	0	0
Fraud	1	1	2
Safety and Sanitation	1	1	0
Waste	2	0	1
Subtotal OCA Investigations	10	7	9
City Department Investigations			
Abuse	8	15	10
Accounting/ Audit Irregularities	0	1	0
Conflict of Interest	2	0	0
Customer Relations	1	0	0
Discrimination	2	2	2
Employee Relations	1	3	1
Fraud	3	2	1
Safety and Sanitation	7	1	3
Theft of Goods/ Services	0	1	1
Theft of Time	6	7	8
Waste	2	3	3
Subtotal Department Investigations	32	35	29
Total Reports Received in Purview of Fraud Hotline	42	42	38
Direct Referrals, Non-City Reports or Reports Not in Purview of Fraud Hotline	17	4	26
Total Reports Received in FY 19	59	46	64

Status of Hotline Reports

A total of 64 reports were filed with the Fraud Hotline between January 1, 2019 and March 31, 2019. We determined that 26 of these reports were not in the purview of the Fraud Hotline, leaving 38 reports that were added to the inventory.

In addition to the receipt of 38 new reports for investigation, 62 City-related reports remained open and unresolved at the end of the previous quarter, resulting in an active inventory of 100 reports during the third quarter of Fiscal Year 2019. **Table 2**, below, summarizes the Fraud Hotline activity for the third quarter of Fiscal Year 2019.

Of the 100 active reports in our inventory, 62 remain open and unresolved, and 38 were closed. Seven City Auditor investigations were found to be unsubstantiated. The allegations made in eight Department investigations were found to be substantiated, six were closed with corrective action, and 17 were unsubstantiated or were otherwise resolved.

Table 2:

Status of Fraud Hotline Reports

Report Status	City Auditor Investigations	Referred to Dept.	Total City-Related	Not in Hotline’s Purview	Total
Unresolved on 1/1/19 ¹	22	40	62	0	62
Received in 3 rd Quarter	9	29	38	26	64
Subtotal – Active Inventory	31	69	100	26	126
Reports Closed	-7	-31	-38	-26	-64
Substantiated	-0	-8	-8	-0	-8
Corrective Action	-0	-6	-6	-0	-6
Unsubstantiated/other	-7	-17	-24	-26	-50
Unresolved on 3/31/19	24	38	62	0	62

¹ Modifications were made to the Fiscal Year 2019 Second Quarter ending balance that affected the beginning balance for this report. Two department investigations were transferred to the City Auditor caseload. Specifically, reports 237850064101 and 574095018401.

City Auditor Investigations Summary

Table 3 summarizes the status of the 31 active City Auditor Fraud Hotline investigations during the third quarter of Fiscal Year 2019, including the incident type, report number, date the report was received, a general description of the report, case status, and the final resolution date.

Table 3:

Status of City Auditor Hotline Investigations

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
Allegation/Outcome						
1	Fraud	126877325	Received	2/4/18	Unsubstantiated	1/24/19
	An allegation regarding fraudulent use of City data for personal profit was investigated and determined to be unsubstantiated.					
2	Waste	854457253701	Received	4/30/18	Unsubstantiated	3/26/19
	An allegation regarding waste due to an unoccupied City facility was investigated and determined to be unsubstantiated.					
3	Waste	996832837501	Received	5/17/18	Unsubstantiated	1/31/19
	An allegation regarding waste due to vehicle acquisition costs was investigated and determined to be unsubstantiated.					
4	Abuse	227771438101	Received	6/7/18	Unsubstantiated	3/26/19
	An allegation regarding abuse related to excessive downtown parking expenses for City employees and waitlists for City-owned lots was investigated and determined to be unsubstantiated. Currently, employees working downtown can contact parkingpass@sanidiego.gov about receiving subsidized parking at Horton Plaza without waiting.					
5	Fraud	772200703501	Received	9/19/18	Unsubstantiated	1/25/19
	An allegation regarding fraudulent contracting activities by a vendor was investigated and determined to be unsubstantiated.					
6	Conflict of Interest	759695719501	Received	10/8/18	Unsubstantiated	3/28/19
	An allegation regarding a conflict of interest by a Classified employee was investigated and determined to be unsubstantiated.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
7	Waste	378786181601	Received	2/15/19	Unsubstantiated	3/27/19
	Allegation/Outcome An allegation of waste related to obsolete reserved parking spaces was investigated and determined to be unsubstantiated. The City's car share program approved three vendors, including one that is still operational.					
8	Abuse	126265359	Received	10/6/17	Open/Unresolved	
	Allegation regarding Public Records Act violations.					
9	Waste	126298451	Received	10/13/17	Open/Unresolved	
	Allegation regarding waste related to trash service being provided to short-term rental properties and Transient Occupancy Tax not being assessed.					
10	Fraud	843756019701	Received	5/2/18	Open/Unresolved	
	Allegations of grant compliance issues, violations of the Brown Act, and conflicts of Interest at a City agency.					
11	Abuse	799055242101	Received	6/26/18	Open/Unresolved	
	Allegation regarding improper shift differential payments. Case moved to OCA investigation on 9/19/18.					
12	Fraud	931671643001	Received	6/29/18	Open/Unresolved	
	Allegation regarding waste and abuse at a City department.					
13	Abuse	588924337901	Received	7/18/18	Open/Unresolved	
	Allegation regarding hiring abuse.					
14	Abuse	305599739801	Received	8/16/18	Open/Unresolved	
	Allegation that a vendor was awarded a contract without being required to follow the City's competitive bidding process.					
15	Waste	391912227801	Received	8/22/18	Open/Unresolved	
	Allegation regarding waste related to a software implementation.					
16	Waste	894746686401	Received	9/18/18	Open/Unresolved	
	Allegation that the City has provided water to a non-residential customer for years without charge.					
17	Abuse	430648675501	Received	10/8/18	Open/Unresolved	
	Allegation regarding abuse of discretion in grant awards by a City agency.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
18	Abuse	337824194201	Received	10/12/18	Open/Unresolved	
	Allegation regarding abuse related to a contract for services.					
19	Abuse	684357487601	Received	11/8/18	Open/Unresolved	
	Allegation of abuse by management in response to a complaint regarding a safety concern.					
20	Fraud	475887559101	Received	11/15/18	Open/Unresolved	
	Allegation of fraud perpetrated by City contractors.					
21	Abuse	514126239501	Received	11/20/18	Open/Unresolved	
	Allegation regarding an attempt to induce a financial contribution from a developer.					
22	Abuse	237850064101	Received	12/17/18	Open/Unresolved	
	Allegation of invoice approvals without adequate review.					
23	Abuse	574095018401	Received	12/31/18	Open/Unresolved	
	Allegation regarding excess discretionary leave awards.					
24	Abuse	582331531901	Received	1/14/19	Open/Unresolved	
	Allegation regarding whether the appropriate development fees are being paid by a private company.					
25	Abuse	827609647101	Received	1/22/19	Open/Unresolved	
	Allegation of a contract that was not processed according to City policy.					
26	Abuse	610178156301	Received	2/28/19	Open/Unresolved	
	Allegation of hiring abuse at a City department.					
27	Fraud	696179688501	Received	3/4/19	Open/Unresolved	
	Allegation of fraud, waste, and abuse at a City department related to improper billing for services.					
28	Abuse	346662838601	Received	3/8/19	Open/Unresolved	
	Allegation of abuse related to a Code Enforcement violation.					
29	Fraud	732526148501	Received	3/11/19	Open/Unresolved	
	Allegation of fraud perpetrated by City employees.					
30	Abuse	976576095401	Received	3/11/19	Open/Unresolved	
	Allegation of abuse of discretion resulting in a City Charter violation.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
31	Abuse	783186805201	Received	3/18/19	Open/Unresolved	
Allegation of inaccurate reports being filed by a City department.						

City Department Investigations Summary

The City Auditor, through the Intake and Review Committee, reviews the final resolution of reports investigated by the departments to ensure that the department has taken the proper actions to resolve the report. A report whose allegations cannot be substantiated can still result in the department taking corrective, proactive, or preventative measures to reinforce a policy or procedure, improve internal controls, or to improve City operations.

Table 4 below summarizes the status of the 69 active Fraud Hotline investigations conducted by the Departments during the third quarter of Fiscal Year 2019, including the incident type, a general description of the report, and the case status.

Table 4:

Status of Department-Investigated Fraud Hotline Reports

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
1	Fraud	925710384501	Received	4/22/18	Substantiated	2/20/19
An allegation regarding theft of time and other misconduct by a City employee was investigated. One aspect of the report was substantiated. The department took the appropriate corrective action with respect to the identified employee.						
2	Theft of Time	583697690101	Received	8/27/18	Substantiated	2/20/19
An allegation of theft of time by City employees was investigated and substantiated as to some, but not all of the employees who were subjects of the investigation. The department took appropriate corrective action and added internal controls regarding time accountability.						
3	Safety and Sanitation	392272861801	Received	8/28/18	Substantiated	1/23/19
An allegation of a zoning violation was investigated and determined to be substantiated. The homeowner removed the violations.						

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
4	Employee Relations	853718629301	Received	10/9/18	Substantiated	3/6/19
	An allegation regarding a violation of the City's EEO policy was investigated and determined to be substantiated. The Department took the appropriate corrective action with respect to the identified volunteer.					
5	Theft of Time	625782672801	Received	11/2/18	Substantiated	3/6/19
	An allegation regarding a City employee who appears to take long breaks and may be underworked was investigated and substantiated regarding unreported outside employment.					
6	Waste	358401955501	Received	12/4/18	Substantiated	1/9/19
	An allegation of theft of time by a City employee was investigated and found to be substantiated. The Department took the appropriate corrective action with respect to the identified employee.					
7	Theft of Time	814140237601	Received	12/12/18	Substantiated	2/20/19
	An allegation of theft of time by a supervisor and subordinate was investigated and substantiated as to some, but not all of the employees who were subjects of the investigation. The department took appropriate corrective action and added internal controls regarding time accountability.					
8	Theft of Time	346902598001	Received	12/21/18	Substantiated	2/6/19
	An allegation of theft of time through excessive personal internet use was investigated and determined to be substantiated. The department took the appropriate corrective action with respect to the identified City employee. In addition, staff was reminded of City policy and supervisors will increase monitoring activities.					
9	Employee Relations	866218201801	Received	8/6/18	Corrective Action	2/20/19
	An allegation regarding abuse and hostility from a group of employees was investigated and resulted in appropriate corrective action.					
10	Theft of Goods/Services	934175314401	Received	10/8/18	Corrective Action	1/23/19
	An allegation of theft of supplies from a City facility by an employee was investigated and determined to be unsubstantiated, but an apparently-empty container was taken in violation of City policy. The department took the appropriate corrective action with respect to the identified employee.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
11	Waste	881085928501	Received	11/21/18	Corrective Action	1/19/19
	An allegation of personal use of City vehicles was investigated and resulted in corrective action. The vehicle use was approved, but management was reminded to obtain advance approval from superiors next time.					
12	Abuse	279415407301	Received	12/4/18	Corrective Action	3/20/19
	An allegation of theft of time by a supervisor was investigated and resulted in appropriate corrective action with respect to the identified employee.					
13	Waste	791471703101	Received	12/12/18	Corrective Action	2/6/19
	An allegation regarding waste of resources by City staff riding together when enough vehicles are available was investigated and resulted in corrective action. Supervisors were reminded to not automatically assign two people to a vehicle, if possible.					
14	Safety and Sanitation	744366160201	Received	12/27/18	Corrective Action	2/20/19
	An allegation regarding unsafe driving by a City employee in a City vehicle was investigated and resulted in corrective action. The department took appropriate corrective action with respect to the identified employee.					
15	Discrimination	216243920501	Received	8/28/18	Unsubstantiated	3/6/19
	An allegation of discrimination based on race was investigated and determined to be unsubstantiated.					
16	Abuse	657316623501	Received	9/18/18	Unsubstantiated	1/23/19
	An allegation of unfair treatment of employees who are being required to work under very bad working conditions was investigated and determined to be unsubstantiated.					
17	Abuse	975601782201	Received	9/21/18	Unsubstantiated	1/23/19
	An allegation regarding theft of time by a supervisor who fails to perform job duties was investigated and determined to be unsubstantiated.					
18	Fraud	803555576101	Received	9/26/18	Unsubstantiated	1/9/19
	An allegation of Workers' Compensation fraud was investigated and determined to be unsubstantiated.					
19	Fraud	575361556601	Received	9/26/18	Unsubstantiated	1/9/19
	An allegation of fraud related to unnecessary confined space entry payments was investigated and determined to be unsubstantiated.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
20	Theft of Time	726228329801	Received	10/23/18	Unsubstantiated	1/9/19
	An allegation regarding overtime abuse was investigated and determined to be unsubstantiated.					
21	Theft of Time	879291457901	Received	11/7/18	Unsubstantiated	1/9/19
	An allegation regarding overtime abuse was investigated and determined to be unsubstantiated.					
22	Abuse	886390935801	Received	11/8/18	Unsubstantiated	3/9/19
	An allegation regarding improper add-on payments to an ineligible employee was investigated and determined to be unsubstantiated.					
23	Abuse	876958924101	Received	11/8/18	Unsubstantiated	1/9/19
	An allegation regarding abuse related to performance evaluations that were never performed, as required, resulting in employees not being eligible to be promoted was investigated and determined to be unsubstantiated.					
24	Abuse	607640633901	Received	11/15/18	Unsubstantiated	1/9/19
	An allegation of theft of time and a falsified job application was investigated and determined to be unsubstantiated.					
25	Abuse	615193708201	Received	11/30/18	Unsubstantiated	1/23/19
	An allegation regarding discrimination based on race was investigated and determined to be unsubstantiated.					
26	Fraud	607769495001	Received	12/3/18	Unsubstantiated	1/23/19
	An allegation regarding theft of time and overtime abuse by a supervisor was investigated and determined to be unsubstantiated.					
27	Abuse	664421366401	Received	1/2/19	Unsubstantiated	3/6/19
	An allegation regarding unfair treatment by a supervisor was investigated and determined to be unsubstantiated.					
28	Abuse	282062207101	Received	1/9/19	Unsubstantiated	2/6/19
	An allegation regarding unprofessional behavior and violation of City policy by a Parking Enforcement Officer was investigated and determined to be unsubstantiated.					
29	Abuse	979030209701	Received	1/28/19	Unsubstantiated	2/20/19
	An allegation of a parking citation that was issued on a holiday and referred to collections inappropriately was investigated and determined to be unsubstantiated.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
30	Abuse	913836767901	Received	12/27/18	No Further Action Necessary	1/8/19
An allegation regarding micromanagement and false accusations by a supervisor was a duplicate of report 664421366401, and this case was closed.						
31	Abuse	778708848801	Received	1/30/19	No Further Action Necessary	2/6/19
An allegation regarding abuse of discretion in senior management hiring was reviewed by the Fraud Hotline Intake and Review committee and closed with no further action necessary.						
32	Fraud	125610382	Received	6/11/17	Open/Unresolved	
An allegation regarding fraudulent contract and billing practices was referred to a department for additional investigation based on our preliminary findings on 9/12/18.						
33	Employee Relations	126921143	Received	2/12/18	Open/Unresolved	
Allegation regarding an abusive manager.						
34	Abuse	776747495901	Received	5/21/18	Open/Unresolved	
An allegation regarding threatening and abusive behavior by City employees.						
35	Theft of Time	594908044101	Received	7/25/18	Open/Unresolved	
Allegation regarding theft of time and violations of State law.						
36	Fraud	621787172401	Received	8/27/18	Open/Unresolved	
Allegation of leave abuse by a City employee.						
37	Discrimination	611870448101	Received	9/21/18	Open/Unresolved	
Allegation regarding unfair treatment and promotions based on ethnicity was referred to the Equal Employment Investigations Office for investigation.						
38	Theft of Time	347551526201	Received	9/27/18	Open/Unresolved	
Allegation regarding a City employee frequently sleeping in a City vehicle for over an hour at a time.						
39	Theft of Time	962748255701	Received	10/9/18	Open/Unresolved	
Allegation regarding a supervisor who approves eight hours of work for employees who only work two to three hours.						

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
40	Discrimination	466915466901	Received	10/30/18	Open/Unresolved	
	Allegation regarding unfair and discriminatory conduct by a supervisor during an investigation was referred to the Equal Employment Investigations Office for investigation.					
41	Discrimination	488920137801	Received	11/14/18	Open/Unresolved	
	Allegation of discrimination based on race was referred to the department for an investigation and response.					
42	Abuse	978068560501	Received	11/26/18	Open/Unresolved	
	Allegation of discrimination against employees based on national origin was referred to the Equal Employment Investigations Office for investigation.					
43	Abuse	542409283601	Received	12/7/18	Open/Unresolved	
	Allegation regarding contracting abuse.					
44	Abuse	748808830701	Received	12/31/18	Open/Unresolved	
	Allegation that a supervisor frequently brings their children in to work, even when the children are sick.					
45	Theft of Goods/Services	606060892501	Received	1/5/19	Open/Unresolved	
	Allegation of unbilled water provided to a commercial customer.					
46	Abuse	949598734201	Received	1/14/19	Open/Unresolved	
	Allegation regarding violations of City Mobile Device Security policy at a City department.					
47	Abuse	779005554101	Received	1/15/19	Open/Unresolved	
	Allegation regarding a violation of an employee's rights under the Americans with Disabilities Act.					
48	Abuse	703176541201	Received	1/29/19	Open/Unresolved	
	Allegation of abuse of the Transportation Alternatives Program policy.					
49	Discrimination	548950076001	Received	2/2/19	Open/Unresolved	
	An allegation regarding discrimination based on gender was referred to the Equal Employment Investigations Office for investigation.					
50	Safety and Sanitation	882227856101	Received	2/6/19	Open/Unresolved	
	Allegation regarding an asbestos exposure at a City facility.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
51	Theft of Time	565351022701	Received	2/11/19	Open/Unresolved	
	Allegation of theft of time.					
52	Theft of Time	923115514301	Received	2/12/19	Open/Unresolved	
	Allegation of theft of time at a City facility.					
53	Theft of Time	330306991701	Received	2/20/19	Open/Unresolved	
	Allegation of theft of time by a City employee.					
54	Waste	461479250801	Received	3/2/19	Open/Unresolved	
	An allegation of waste due to repeated destruction of equipment.					
55	Theft of Time	479093732501	Received	3/8/19	Open/Unresolved	
	Allegation of theft of time by a City employee.					
56	Safety and Sanitation	860084410301	Received	3/11/19	Open/Unresolved	
	Allegation of a heavy City truck speeding on the freeway.					
57	Discrimination	903742239301	Received	3/12/19	Open/Unresolved	
	Allegation of salary discrimination at a City department based on protected classes was referred to the Equal Employment Investigations Office.					
58	Abuse	491632632301	Received	3/13/19	Open/Unresolved	
	This report lacked details. Additional information was requested. If no details are received within 30 days of the report, the case will be closed with no further action necessary.					
59	Theft of Time	437319096701	Received	3/15/19	Open/Unresolved	
	Allegation of under-performance by a City employee and possible theft of time.					
60	Abuse	437963308401	Received	3/20/19	Open/Unresolved	
	Allegation of abusive behavior by a manager directed at subordinate employees.					
61	Waste	923036550301	Received	3/21/19	Open/Unresolved	
	Allegation of waste of City resources related to seldom-used office space reserved for management.					
62	Waste	287595925201	Received	3/21/19	Open/Unresolved	
	Allegation of theft of time by a City employee.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
63	Abuse	903091045001	Received	3/21/19	Open/Unresolved	
	Allegation of violations of State law at a City department.					
64	Fraud	594664133901	Received	3/22/19	Open/Unresolved	
	Allegation of Workers' Compensation fraud.					
65	Employee Relations	587089096501	Received	3/23/19	Open/Unresolved	
	A complaint regarding the professionalism of two supervisors.					
66	Safety and Sanitation	912927106701	Received	3/27/19	Open/Unresolved	
	Allegation of a speeding City vehicle in a residential area.					
67	Theft of Time	493761178201	Received	3/29/19	Open/Unresolved	
	Allegation of theft of time by a City employee.					
68	Theft of Time	572197204201	Received	3/29/19	Open/Unresolved	
	Allegation of theft of time by a City employee.					
69	Theft of Time	422621195001	Received	3/29/19	Open/Unresolved	
	Allegation of theft of time by City employees.					

Not in Purview Reports Summary

Table 5, below, summarizes the results of the 26 Fraud Hotline reports that were received during the third quarter of Fiscal Year 2019, but were determined to be not within the purview of the Fraud Hotline and were closed.

Table 5:

Status of Not in Purview Fraud Hotline Reports

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
1	Safety and Sanitation	503558398101	Received	1/4/19	No Further Action Necessary	1/8/19
	Allegations regarding health code violations, labor, and safety issues at a private business were not in the purview of the City's Fraud Hotline. The report was referred to the appropriate agencies and the case was closed.					
2	Abuse	464840945201	Received	1/10/19	No Further Action Necessary	1/14/19
	Duplicate of 913836767901.					
3	Fraud	468103103801	Received	1/18/19	No Further Action Necessary	1/22/19
	An allegation regarding a credit card dispute was not in the purview of the Fraud Hotline. The reporter was referred to the appropriate agency and the case was closed.					
4	Miscellaneous	380679254001	Received	1/22/19	No Further Action Necessary	1/23/19
	An allegation regarding a fraudulent bill collection scam was not in the purview of the City's Fraud Hotline, so the case was closed with a referral to the company's fraud department.					
5	Abuse	532874123101	Received	1/24/19	No Further Action Necessary	2/6/19
	Duplicate of Fraud Hotline report number 582331531901.					
6	Miscellaneous	472940847201	Received	1/25/19	No Further Action Necessary	1/30/19
	Duplicate of Fraud Hotline report number 227771438101.					
7	Fraud	802241968701	Received	1/28/19	No Further Action Necessary	1/31/19
	An allegation regarding a non-City agency was not in the purview of the City's Fraud Hotline and the case was closed. The reporter was referred to the appropriate agency.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
8	Fraud	225914709901	Received	2/1/19	No Further Action Necessary	2/6/19
Duplicate of Fraud Hotline Report Number 879291457901.						
9	Fraud	933046376701	Received	2/3/19	No Further Action Necessary	2/6/19
An allegation regarding a private-party rental scam was not in the purview of the Fraud Hotline. The reporter was referred to the appropriate agency and the case was closed.						
10	Abuse	361206130201	Received	2/5/19	No Further Action Necessary	2/6/19
Duplicate of 548950076001.						
11	Abuse	319893435101	Received	2/5/19	No Further Action Necessary	2/6/19
Duplicate of 361206130201 and 548950076001.						
12	Abuse	765442470701	Received	2/5/19	No Further Action Necessary	2/6/19
Duplicate of 532874123101 and 582331531901.						
13	Miscellaneous	449647237801	Received	2/7/19	No Further Action Necessary	2/20/19
Duplicate of 673453809901.						
14	Fraud	812240903901	Received	2/14/19	No Further Action Necessary	2/20/19
An allegation regarding a contest scam does not involve City operations was closed as not in the purview of the Fraud Hotline. The reporter was advised and referred to the appropriate agency.						
15	Waste	742983548301	Received	2/19/19	No Further Action Necessary	2/20/19
Duplicate of 548950076001 and 319893435101.						
16	Miscellaneous	508442114901	Received	2/22/19	No Further Action Necessary	2/27/19
Duplicate of 449647237801 and 673453809901.						

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
17	Abuse	927851568001	Received	2/25/19	No Further Action Necessary	2/27/19
An allegation of an improper water meter reading was resolved by the customer with no investigation necessary.						
18	Fraud	406929153201	Received	2/27/19	No Further Action Necessary	3/1/19
Duplicate of 703176541201.						
19	Safety and Sanitation	633758275901	Received	3/1/19	No Further Action Necessary	3/31/19
An allegation regarding an unknown individual did not contain sufficient information to investigate. Additional information was requested, but not received within 30 days.						
20	Fraud	653702790901	Received	3/6/19	No Further Action Necessary	3/6/19
An allegation regarding an attempted student loan scam was not in the purview of the City's Fraud Hotline. The case was closed with a referral to an FTC information page.						
21	Fraud	451609245101	Received	3/11/19	No Further Action Necessary	3/18/19
An individual reporting misconduct by a Notary Public was referred to the California Secretary of State and the case was closed.						
22	Fraud	357470097201	Received	3/18/19	No Further Action Necessary	3/19/19
An allegation of a curb painting scam was not in the purview of the City's Fraud Hotline. The case was closed.						
23	Fraud	446745480201	Received	3/18/19	No Further Action Necessary	3/19/19
Duplicate of 357470097201						
24	Fraud	859524412001	Received	3/21/19	No Further Action Necessary	3/26/19
Duplicate of 696179688501.						
25	Abuse	346041076501	Received	3/25/19	No Further Action Necessary	3/26/19
Duplicate of 673453809901.						

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
26	Miscellaneous	897825034601	Received	3/26/19	No Further Action Necessary	3/26/19
A report regarding a code violation in a different city was directed to the appropriate city's code compliance unit.						

Conclusion

The Office of the City Auditor is dedicated to ensuring that all reported claims of fraud, waste, and abuse related to City operations are investigated and properly resolved.

In Fiscal Year 2019, we have applied approximately 1,913 hours administering the Fraud Hotline, coordinating Intake and Review Committee activities, and investigating Fraud Hotline reports. A total of 3,100 hours was budgeted for the year.

I will be prepared to discuss this report at the next available Audit Committee meeting.

Respectfully submitted,



Kyle Elser
Interim City Auditor

cc: Honorable Mayor Kevin Faulconer
Honorable Members of the City Council
Mara Elliott, City Attorney
Kris Michell, Chief Operating Officer
Stacey LoMedico, Assistant Chief Operating Officer
Ron Villa, Assistant Chief Operating Officer
Andrea Tevlin, Independent Budget Analyst
