
CITY AUDITOR'S QUARTERLY FRAUD HOTLINE REPORT

Fiscal Year 2019

Quarter 4

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: July 8, 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 4

Reports Received in the Fourth Quarter of Fiscal Year 2019

During the fourth quarter of Fiscal Year 2019 (April – June 2019), we received 69 Fraud Hotline reports. We added five new reports to be investigated by the Office of the City Auditor, and presented 40 reports to the Intake and Review Committee to be referred to City Departments for investigation and resolution. We found that 24 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	Qtr 4
Abuse	4	4	6	4
Accounting/Audit Irregularities	1	0	0	0
Conflict of Interest	0	1	0	0
Customer Relations	1	0	0	0
Fraud	1	1	2	0
Safety and Sanitation	1	1	0	1
Waste	2	0	1	0
Subtotal OCA Investigations	10	7	9	5
City Department Investigations				
Abuse	8	15	10	11
Accounting/ Audit Irregularities	0	1	0	0
Conflict of Interest	2	0	0	0
Customer Relations	1	0	0	0
Discrimination	2	2	2	1
Employee Relations	1	3	1	5
Fraud	3	2	1	1
Safety and Sanitation	7	1	3	8
Theft of Goods/ Services	0	1	1	1
Theft of Time	6	7	8	7
Waste	2	3	3	6
Subtotal Department Investigations	32	35	29	40
Total Reports Received in Purview of Fraud Hotline	42	42	38	45
Direct Referrals, Non-City Reports or Reports Not in Purview of Fraud Hotline	17	4	26	24
Total Reports Received in FY 19	59	46	64	69

Status of Hotline Reports

A total of 69 reports were filed with the Fraud Hotline between April 1, 2019 and June 30, 2019. We determined that 24 of these reports were not in the purview of the Fraud Hotline, leaving 45 reports that were added to the inventory.

In addition to the receipt of 45 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 107 reports during the fourth quarter of Fiscal Year 2019. **Table 2**, below, summarizes the Fraud Hotline activity for the fourth quarter of Fiscal Year 2019.

Of the 107 active reports in our inventory, 60 remain open and unresolved, and 47 were closed. Ten City Auditor investigations were found to be unsubstantiated or closed with no further action necessary. The allegations made in nine Department investigations were found to be substantiated, five were closed with corrective action, and 23 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 4/1/19 ¹	25	37	62	0	62
Received in 4 th Quarter	5	40	45	24	69
Subtotal – Active Inventory	30	77	107	24	131
Reports Closed	-10	-37	-47	-24	-71
Substantiated	-0	-9	-9	-0	-9
Corrective Action	-0	-5	-5	-0	-5
Unsubstantiated/other	-10	-23	-33	-24	-57
Unresolved on 6/30/19	20	40	60	0	60

¹ A modification was made to the Fiscal Year 2019 Third Quarter ending balance that affected the beginning balance for this report. Report 903091045001 was transferred from a Department-referred to OCA investigation.

City Auditor Investigations Summary

Table 3 summarizes the status of the 30 active City Auditor Fraud Hotline investigations during the fourth 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	931671643001	Received	6/29/18	Unsubstantiated	6/19/19
	An allegation regarding waste and abuse at a City department was investigated and determined to be unsubstantiated.					
2	Abuse	588924337901	Received	7/18/18	Unsubstantiated	4/26/19
	An allegation regarding hiring abuse was investigated and found to be unsubstantiated.					
3	Waste	391912227801	Received	8/22/18	Unsubstantiated	6/19/19
	An allegation regarding waste related to a software implementation was investigated and determined to be unsubstantiated.					
4	Fraud	475887559101	Received	11/15/18	Unsubstantiated	6/11/19
	An allegation of fraud perpetrated by City contractors was investigated and determined to be unsubstantiated.					
5	Abuse	514126239501	Received	11/20/18	Unsubstantiated	6/21/19
	An allegation regarding induced financial contributions from developers was investigated and determined to be unsubstantiated.					
6	Abuse	610178156301	Received	2/28/19	Unsubstantiated	6/20/19
	An allegation of hiring abuse at a City department was investigated and determined to be unsubstantiated.					
7	Abuse	346662838601	Received	3/8/19	Unsubstantiated	5/8/19
	An allegation of abuse related to a Code Enforcement violation was investigated and determined to be unsubstantiated.					
8	Abuse	907284235901	Received	4/11/19	Unsubstantiated	5/16/19
	An allegation of abuse of discretion in hiring was investigated and determined to be unsubstantiated.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
9	Fraud	843756019701	Received	5/2/18	No Further Action Necessary	5/9/19
	Allegations of grant compliance issues, violations of the Brown Act, and conflicts of interest at a City agency were determined to be not within the purview of the City's Fraud Hotline because the reported agency is not a City agency and is not subject to the Brown Act or the Public Records Act.					
10	Abuse	653371204701	Received	5/21/19	No Further Action Necessary	6/28/19
	An allegation of unethical conduct by City employees had already been referred to the appropriate agencies. No further action is necessary.					
11	Abuse	126265359	Received	10/6/17	Open/Unresolved	
	Allegation regarding Public Records Act violations.					
12	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.					
13	Abuse	799055242101	Received	6/26/18	Open/Unresolved	
	Allegation regarding improper shift differential payments. Case moved to OCA investigation on 9/19/18.					
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	894746686401	Received	9/18/18	Open/Unresolved	
	Allegation that the City has provided water to a non-residential customer for years without charge.					
16	Abuse	430648675501	Received	10/8/18	Open/Unresolved	
	Allegation regarding abuse of discretion in grant awards by a City agency.					
17	Abuse	337824194201	Received	10/12/18	Open/Unresolved	
	Allegation regarding abuse related to a contract for services.					
18	Abuse	684357487601	Received	11/8/18	Open/Unresolved	
	Allegation of abuse by management in response to a complaint regarding a safety concern.					
19	Abuse	237850064101	Received	12/17/18	Open/Unresolved	
	Allegation of invoice approvals without adequate review.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
20	Abuse	574095018401	Received	12/31/18	Open/Unresolved	
	Allegation regarding excess discretionary leave awards.					
21	Abuse	582331531901	Received	1/14/19	Open/Unresolved	
	Allegation regarding whether the appropriate development fees are being paid by a private company.					
22	Abuse	827609647101	Received	1/22/19	Open/Unresolved	
	Allegation of a contract that was not processed according to City policy.					
23	Fraud	696179688501	Received	3/4/19	Open/Unresolved	
	Allegation of fraud, waste, and abuse at a City department related to improper billing for services.					
24	Abuse	976576095401	Received	3/11/19	Open/Unresolved	
	Allegation of abuse of discretion resulting in a City Charter violation.					
25	Fraud	732526148501	Received	3/11/19	Open/Unresolved	
	Allegation of fraud perpetrated by City employees.					
26	Abuse	783186805201	Received	3/18/19	Open/Unresolved	
	Allegation of inaccurate reports being filed by a City department.					
27	Abuse	903091045001	Received	3/21/19	Open/Unresolved	
	Allegation of violations of State law at a City department.					
28	Safety and Sanitation	403063557501	Received	4/17/19	Open/Unresolved	
	Allegation of unsafe handling of hazardous materials.					
29	Abuse	274212080301	Received	4/23/19	Open/Unresolved	
	Allegation regarding excessive charges for board-up services after a burglary.					
30	Abuse	261877906601	Received	4/30/19	Open/Unresolved	
	Allegation of abuse related to Industrial Leave.					

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 77 active Fraud Hotline investigations conducted by the Departments during the fourth 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	Employee Relations	126921143	Received	2/12/18	Substantiated	4/17/19
	An allegation regarding an abusive manager was investigated and determined to be substantiated. The department took the appropriate corrective action with respect to the identified employee.					
2	Abuse	776747495901	Received	5/21/18	Substantiated	4/17/19
	An allegation regarding threatening and abusive behavior by City employees was investigated and determined to be substantiated. The department took the appropriate corrective action with respect to the identified employees.					
3	Theft of Time	594908044101	Received	7/25/18	Substantiated	4/3/19
	An allegation regarding theft of time and violations of State law was investigated and determined to be substantiated. The Department took the appropriate corrective action with respect to the identified employees.					
4	Theft of Time	565351022701	Received	2/11/19	Substantiated	5/1/19
	An allegation of theft of time was investigated and substantiated. The department took the appropriate corrective action with respect to the identified employee.					
5	Waste	461479250801	Received	3/2/19	Substantiated	5/2/19
	An allegation of waste due to repeated destruction of equipment was investigated and determined to be substantiated. The Department took the appropriate corrective action to reduce the risk of future equipment damage through additional procedures and training on those procedures.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
	Allegation/Outcome					
6	Safety and Sanitation	860084410301	Received	3/11/19	Substantiated	4/3/19
	An allegation of a heavy City truck speeding on the freeway was investigated and determined to be substantiated. The department took the appropriate corrective action with respect to the identified employee and provided additional training to staff.					
7	Theft of Time	437319096701	Received	3/15/19	Substantiated	4/17/19
	An allegation of under-performance by a City employee and possible theft of time was investigated and determined to be substantiated. Staff were reminded of City policies and supervisors will increase monitoring.					
8	Waste	923036550301	Received	3/21/19	Substantiated	5/29/19
	An allegation of waste of City resources related to seldom-used office space reserved for management was investigated and found to be substantiated. One office and a cubicle were re-assigned.					
9	Safety and Sanitation	912927106701	Received	3/27/19	Substantiated	5/29/19
	An allegation of a speeding City vehicle in a residential area was investigated and substantiated. The department took the appropriate corrective action with respect to the identified employee.					
10	Theft of Time	962748255701	Received	10/9/18	Corrective Action	5/1/19
	An allegation regarding a supervisor who approves eight hours of work for employees who only work two to three hours was investigated and resulted in corrective action. Specifically, management will ensure proper oversight to prevent the potential falsification of time entries.					
11	Abuse	703176541201	Received	1/29/19	Corrective Action	6/12/19
	An allegation of abuse of the Transportation Alternatives Program policy was investigated and resulted in corrective action with respect to the identified employee.					
12	Theft of Time	479093732501	Received	3/8/19	Corrective Action	4/17/19
	An allegation of theft of time by a City employee was investigated and resulted in corrective action. Supervisors were instructed to monitor their subordinates consistently and staff was reminded to be conscious of their time.					
13	Theft of Time	816355642401	Received	4/11/19	Corrective Action	5/1/19
	An allegation of theft of time was investigated and resulted in corrective action. The department reminded staff that they were expected to work a full shift each day.					
14	Abuse	266725875101	Received	4/12/19	Corrective Action	5/16/19
	An allegation regarding the improper personal use of a City vehicle was investigated and resulted in corrective action. Staff were reminded of department policy regarding vehicle use.					
15	Fraud	621787172401	Received	8/27/18	Unsubstantiated	4/17/19
	An allegation of leave abuse by a City employee was investigated and determined to be unsubstantiated.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
	Allegation/Outcome					
16	Discrimination	466915466901	Received	10/30/18	Unsubstantiated	5/16/19
	An allegation regarding unfair and discriminatory conduct by a supervisor during an investigation was investigated and determined to be unsubstantiated.					
17	Discrimination	488920137801	Received	11/14/18	Unsubstantiated	5/29/19
	An allegation of discrimination based on race was investigated and determined to be unsubstantiated.					
18	Abuse	978068560501	Received	11/26/18	Unsubstantiated	4/17/19
	An allegation of discrimination against employees based on national origin was investigated and determined to be unsubstantiated.					
19	Abuse	748808830701	Received	12/31/18	Unsubstantiated	4/17/19
	An allegation that a supervisor frequently brings their children in to work, even when the children are sick, was investigated and the allegation of abuse was determined to be unsubstantiated due to extenuating circumstances.					
20	Abuse	949598734201	Received	1/14/19	Unsubstantiated	4/3/19
	An allegation regarding violations of City Mobile Device Security policy at a City department were investigated and determined to be unsubstantiated.					
21	Abuse	779005554101	Received	1/15/19	Unsubstantiated	4/3/19
	An allegation regarding a violation of an employee's rights under the Americans with Disabilities Act was investigated and determined to be unsubstantiated.					
22	Safety and Sanitation	882227856101	Received	2/6/19	Unsubstantiated	5/1/19
	An allegation regarding an asbestos exposure at a City facility was investigated and determined to be unsubstantiated.					
23	Theft of Time	330306991701	Received	2/20/19	Unsubstantiated	4/17/19
	An allegation of theft of time by a City employee was investigated and determined to be unsubstantiated.					
24	Fraud	594664133901	Received	3/22/19	Unsubstantiated	5/1/19
	An allegation of Workers' Compensation fraud was investigated and determined to be unsubstantiated.					
25	Abuse	684864261501	Received	4/9/19	Unsubstantiated	5/29/19
	An allegation regarding public funding for a private project was investigated and determined to be unsubstantiated.					
26	Theft of Goods/Services	635651632601	Received	4/11/19	Unsubstantiated	6/12/19
	An allegation of theft of supplies by a City employee was investigated and determined to be unsubstantiated.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
27	Employee Relations	727811256901	Received	5/6/19	Unsubstantiated	5/29/19
An allegation regarding favoritism shown to an employee was investigated and determined to be unsubstantiated.						
28	Safety and Sanitation	896499608101	Received	5/7/19	Unsubstantiated	6/12/19
An allegation of a speeding City vehicle in a residential area was investigated and determined to be unsubstantiated.						
29	Safety and Sanitation	343809126801	Received	5/10/19	Unsubstantiated	5/29/19
An allegation regarding a possible fire code violation was investigated and determined to be unsubstantiated.						
30	Safety and Sanitation	851386465401	Received	5/14/19	Unsubstantiated	5/29/19
An allegation of illegal activity and City employees allowing people and vehicles to stay overnight at a park was investigated and determined to be unsubstantiated.						
31	Abuse	741099397001	Received	5/20/19	Unsubstantiated	5/29/19
An allegation of un-necessary use of emergency lights was investigated and determined to be unsubstantiated.						
32	Abuse	542409283601	Received	12/7/18	No Further Action Necessary	4/3/19
An allegation regarding contracting abuse was thoroughly reviewed and evaluated. Based on the results of the analysis, the Fraud Hotline Intake and Review committee determined that no further action is necessary.						
33	Abuse	491632632301	Received	3/13/19	No Further Action Necessary	4/17/19
This report lacked details. Additional information was requested. No details were received within 30 days of the report, the case was closed with no further action necessary.						
34	Employee Relations	587089096501	Received	3/23/19	No Further Action Necessary	4/3/19
A complaint regarding the professionalism of two supervisors lacked details. None were received within 30 days. The report was reviewed by the Fraud Hotline Intake and Review committee and closed with no further action necessary.						

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
35	Theft of Time	572197204201	Received	3/29/19	No Further Action Necessary	5/14/19
	An allegation of theft of time by City employees did not contain sufficient information to investigate. No response to our request for additional information was received within 30 days of the report. Per our procedures, the case was closed.					
36	Theft of Time	493761178201	Received	3/29/19	No Further Action Necessary	5/14/19
	An allegation of theft of time by City employees did not contain sufficient information to investigate. No response to our request for additional information was received within 30 days of the report. Per our procedures, the case was closed.					
37	Theft of Time	422621195001	Received	3/29/19	No Further Action Necessary	5/14/19
	An allegation of theft of time by City employees did not contain sufficient information to investigate. No response to our request for additional information was received within 30 days of the report. Per our procedures, the case was closed.					
38	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.					
39	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.					
40	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.					
41	Theft of Goods/Services	606060892501	Received	1/5/19	Open/Unresolved	
	Allegation of unbilled water provided to a commercial customer.					
42	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.					
43	Theft of Time	923115514301	Received	2/12/19	Open/Unresolved	
	Allegation of theft of time at a City facility.					
44	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.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
45	Abuse	437963308401	Received	3/20/19	Open/Unresolved	
	Allegation of abusive behavior by a manager directed at subordinate employees.					
46	Waste	287595925201	Received	3/21/19	Open/Unresolved	
	Allegation of theft of time by a City employee.					
47	Fraud	274748224401	Received	4/11/19	Open/Unresolved	
	Allegation of a fraudulent Workers' Compensation claim.					
48	Waste	911681539801	Received	4/12/19	Open/Unresolved	
	Allegation of waste related to a City-sponsored special event that was not advertised and poorly attended.					
49	Abuse	561079182201	Received	4/12/19	Open/Unresolved	
	Allegation of abuse of discretion by a supervisor.					
50	Waste	260247088001	Received	4/22/19	Open/Unresolved	
	Allegation regarding waste related to similar compensation for different job duties.					
51	Waste	578559623101	Received	4/23/19	Open/Unresolved	
	Allegation of waste associated with vehicle purchases.					
52	Abuse	497674660701	Received	4/26/19	Open/Unresolved	
	Allegation of abuse related to damage to private property by a water leak.					
53	Theft of Time	485547780401	Received	5/3/19	Open/Unresolved	
	Allegation of theft of time.					
54	Abuse	995887940501	Received	5/13/19	Open/Unresolved	
	Allegation of hiring abuse at a City department.					
55	Theft of Time	414471525001	Received	5/15/19	Open/Unresolved	
	Allegation of theft of time.					
56	Abuse	300540688901	Received	5/20/19	Open/Unresolved	
	Allegation of a possible Brown Act violation.					
57	Safety and Sanitation	877353546601	Received	5/24/19	Open/Unresolved	
	Allegation regarding un-permitted construction.					
58	Abuse	847294727901	Received	5/24/19	Open/Unresolved	
	Allegation regarding abuse of discretion regarding a disabled parking violation.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
59	Safety and Sanitation	308277685601	Received	5/29/19	Open/Unresolved	
	Allegation of a poorly maintained City bathroom.					
60	Abuse	687858697801	Received	5/30/19	Open/Unresolved	
	Allegation of abuse related to a building code violation.					
61	Employee Relations	835965463401	Received	5/30/19	Open/Unresolved	
	Allegation regarding unfair treatment by a manager.					
62	Safety and Sanitation	299501336201	Received	5/30/19	Open/Unresolved	
	Allegation regarding unsafe driving by a City employee.					
63	Employee Relations	867616047001	Received	5/30/19	Open/Unresolved	
	Allegation regarding unfair parking privileges for three employees.					
64	Theft of Time	202792533001	Received	5/31/19	Open/Unresolved	
	Allegation of theft of time by three City employees.					
65	Employee Relations	641105310301	Received	5/31/19	Open/Unresolved	
	Allegation of ongoing issues regarding an employee that have not been addressed by management.					
66	Employee Relations	230113882201	Received	6/2/19	Open/Unresolved	
	Allegation regarding favoritism at a City department.					
67	Theft of Time	322460544401	Received	6/9/19	Open/Unresolved	
	Allegation regarding theft of time by a City employee.					
68	Safety and Sanitation	283017905801	Received	6/10/19	Open/Unresolved	
	An allegation that included a reference to a weapon was immediately referred to HR and the Personnel Director.					
69	Waste	954076374701	Received	6/14/19	Open/Unresolved	
	Allegation regarding a Code violation resulting in waste.					
70	Waste	758256857901	Received	6/18/19	Open/Unresolved	
	Allegation regarding a Code violation resulting in waste.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
71	Theft of Time	792740985901	Received	6/18/19	Open/Unresolved	
	Allegation regarding theft of time and outside employment on City time.					
72	Abuse	240134807001	Received	6/20/19	Open/Unresolved	
	Allegation regarding unfair hiring.					
73	Discrimination	447009850101	Received	6/21/19	Open/Unresolved	
	Allegation regarding discrimination in promotions.					
74	Waste	944482180801	Received	6/24/19	Open/Unresolved	
	Allegation regarding wasteful billing for City projects.					
75	Safety and Sanitation	573935930601	Received	6/24/19	Open/Unresolved	
	Allegation regarding improper safety procedures at a City facility.					
76	Theft of Time	383891190701	Received	6/25/19	Open/Unresolved	
	Allegation of theft of time.					
77	Abuse	291709750701	Received	6/28/19	Open/Unresolved	
	Allegation regarding abuse of shift assignments.					

Not in Purview Reports Summary

Table 5, below, summarizes the results of the 24 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
Allegation/Outcome						
1	Miscellaneous	721465344301	Received	4/1/19	No Further Action Necessary	4/5/19
Duplicate of 587089096501.						
2	Fraud	584253913901	Received	4/3/19	No Further Action Necessary	4/5/19
A report of an attempted telephone scam was not in the purview of the City's Fraud Hotline. The caller was referred to the Federal Trade Commission.						
3	Abuse	511442472101	Received	4/7/19	No Further Action Necessary	5/14/19
An allegation regarding possible, unspecified violations of law and policy did not contain sufficient details to investigate. Additional details were requested, but not received within 30 days of the report; therefore, the case was closed.						
4	Abuse	668300540301	Received	4/12/19	No Further Action Necessary	4/17/19
Duplicate of 664421366401.						
5	Miscellaneous	923592642501	Received	4/15/19	No Further Action Necessary	4/16/19
A report regarding an improper bill from the County of San Diego was not in the purview of the City's Fraud Hotline. The reporter was referred to the County Auditor and Controller's Office of Revenue and Recovery.						
6	Discrimination	359981168801	Received	4/17/19	No Further Action Necessary	5/29/19
An allegation regarding gender discrimination in hiring at a City department was previously reported, investigated, and determined to be unsubstantiated. The Fraud Hotline reporter did not wish to be identified or report the allegation to the City's Equal Employment Investigations Office.						
7	Abuse	248474368601	Received	4/17/19	No Further Action Necessary	4/18/19
Duplicate of 664421366401.						

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
8	Waste	556358015301	Received	4/20/19	No Further Action Necessary	4/22/19
	Duplicate of 260247088001.					
9	Abuse	856896601601	Received	4/22/19	No Further Action Necessary	5/29/19
	An allegation of deficient performance by a City employee did not contain sufficient detail to permit an investigation. The Fraud Hotline reporter did not to provide the requested details within 30 days. The case was closed, per our policy.					
10	Theft of Time	463186836401	Received	4/24/19	No Further Action Necessary	5/29/19
	An allegation of an employee sleeping in a vehicle did not match City vehicle or GPS records. No response was received to our request for additional details within 30 days. The case was closed per our policy.					
11	Abuse	714592106301	Received	4/29/19	No Further Action Necessary	4/30/19
	Duplicate of 673453809901.					
12	Fraud	739761491301	Received	4/30/19	No Further Action Necessary	5/1/19
	An allegation regarding activity at a private residence outside of the City of San Diego was not in the purview of the Fraud Hotline to investigate. The Fraud Hotline reporter was notified of this determination.					
13	Fraud	797610321601	Received	5/5/19	No Further Action Necessary	5/16/19
	An allegation of Fraud by a City employee was reviewed by the Fraud Hotline Intake and Review committee and determined to be outside the purview of the City's Fraud Hotline since there is ongoing litigation regarding the matter.					
14	Abuse	492044322201	Received	5/6/19	No Further Action Necessary	5/7/19
	Duplicate of 696179688501.					
15	Fraud	704062646401	Received	5/9/19	No Further Action Necessary	5/9/19
	Duplicate of 274748224401.					
16	Abuse	703908874201	Received	5/10/19	No Further Action Necessary	5/14/19
	An allegation regarding illegal parking by non-City employees was not in the purview of the City's Fraud Hotline. The case was closed.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
17	Fraud	726975768901	Received	5/10/19	No Further Action Necessary	5/10/19
	Duplicate of 727811256901.					
18	Abuse	794881940201	Received	5/15/19	No Further Action Necessary	5/16/19
	Duplicate of 414471525001.					
19	Abuse	586022868501	Received	5/22/19	No Further Action Necessary	5/23/19
	Duplicate of 664421366401.					
20	Abuse	460121967001	Received	5/23/19	No Further Action Necessary	5/28/19
	Duplicate of 664421366401					
21	Abuse	941395673001	Received	5/25/19	No Further Action Necessary	5/28/19
	Duplicate of 664421366401.					
22	Miscellaneous	525392423001	Received	6/3/19	No Further Action Necessary	6/12/19
	A comment was submitted, but it did not include an allegation of fraud, waste, or abuse with specific information that would permit an investigation. As a result, the report was closed.					
23	Miscellaneous	445088289901	Received	6/14/19	No Further Action Necessary	6/19/19
	A question regarding a Public Works project was not in the purview of the Fraud Hotline. The Fraud Hotline reporter was referred to the City's CIP project map.					
24	Fraud	346082247501	Received	6/17/19	No Further Action Necessary	6/19/19
	An allegation regarding a non-City entity was not in the purview of the Fraud Hotline.					

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 2,680 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
