

Office of the City Auditor City of San Diego

Fraud Hotline Update July 2009 – March 2010

Audit Committee, April 12, 2010



Hotline Activity

Third Quarter, Fiscal Year 2010

- During January 2010 through March 2010, the Hotline received 12 complaints, and these complaints pertained to:
 - ♦ Fraud, Waste or Abuse – 33%
 - ♦ Policy Issues – 25 %
 - ♦ Customer Relations– 8.3%
 - ♦ Kickbacks– 8.3%
 - ♦ Other Non-Waste, Fraud or Abuse – 25.4%
- The following table show the number of complaints received during the third quarter by complaint category.

Hotline Activity Results by Complaint Type

Third Quarter, Fiscal Year 2010

Category	Quarter 3 Jan-Mar	Percent
Policy Issues	3	25.0%
Fraud	3	25.0%
Customer Relations	1	8.3%
Kickbacks	1	8.3%
Employee Relations	1	8.3%
Safety Issues/ Sanitation	1	8.3%
Waste and Abuse	1	8.3%
Wage/Hour Issues	1	8.3%
Total	12	100.0%

Hotline Activity Results

First Three Quarters, Fiscal Year 2010

- A total of 41 complaints were made to the Hotline for the first three quarters of fiscal year 2010.
- Of these 41 complaints, 13 warranted City Auditor investigation, and 28 were referred to departments for investigation.
- The volume of Hotline complaints received was fairly consistent during the first three quarters at 15, 14, and 12 respectively.

Hotline Activity Results by Complaint Type

First Three Quarters, Fiscal Year 2010

Category	Quarter 1 Jul. – Oct.	Quarter 2 Oct. – Dec.	Quarter 3 Jan-Mar	Subtotal	Percent	City Auditor Investigations	Referred to Departments
Policy Issues	3	2	3	8	19.5%	0	8
Fraud	3	5	3	11	26.8%	9	2
Customer Relations	2	1	1	4	9.8%	0	4
Discrimination	2	2	0	4	9.8%	1	3
Kickbacks	0	0	1	1	2.4%	1	0
Employee Relations	1	1	1	3	7.3%	0	3
Conflicts of Interest	1	0	0	1	2.4%	0	1
Safety Issues/ Sanitation	0	0	1	1	2.4%		1
Waste and Abuse	1	3	1	5	12.2%	2	3
Retaliation of Whistleblowers	1	0	0	1	2.4%	0	1
Wage/Hour Issues	0	0	1	1	2.4%		1
Workplace Violence	1	0	0	1	2.4%	0	1
Total	15	14	12	41	100%	13	28

Hotline Activity, July – March 2010 and Open Complaints from Previous Year

- As reported, 41 complaints were made to the Hotline between July 2009 and March 2010.
- In addition, at the end of the previous fiscal year, 22 complaints remained open and unresolved for a total of 63 complaints.
- The following table shows the status of these 63 complaints.

Hotline Activity, July 2009 – March 2010 and Open Complaints from Previous Year

Complaint Status	City Auditor Investigations	Department Investigations	Total	Percent
Complaints Open and Unresolved	15	18	33	52.4%
Investigations Closed	8	22	30	47.6%
<i>Complaint Substantiated and /or Corrective Action Taken</i>	<i>1</i>	<i>10</i>	<i>11</i>	<i>36.7%</i>
<i>Complaint Unsubstantiated</i>	<i>7</i>	<i>12</i>	<i>19</i>	<i>63.3%</i>
Total	23	40	63	100.00%

Conclusion

Fraud Hotline (866) 809-3500