
CITY AUDITOR'S QUARTERLY FRAUD HOTLINE REPORT

Fiscal Year 2018

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 complaint received and sends them to the Office of the City Auditor via email notification. Complaints 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 5, 2018
TO: Honorable Members of the Audit Committee
FROM: Eduardo Luna, City Auditor
SUBJECT: City Auditor's Quarterly Fraud Hotline Report – Fiscal Year 2018 Quarter 4

Complaints Received in the Fourth Quarter of Fiscal Year 2018

During the fourth quarter of Fiscal Year 2018 (April – June 2018), we received 53 Fraud Hotline complaints. We investigated eleven new complaints and presented 26 complaints to the Intake and Review Committee to be referred to City Departments for investigation and resolution. We found that 16 complaints were not in the purview of the Fraud Hotline and were closed. **Table 1** on the following page summarizes the types of complaints received during Fiscal Year 2018.



OFFICE OF THE CITY AUDITOR
600 B STREET • SAN DIEGO, CA 92101
PHONE 619 533-3165 • FAX 619 533-3036

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



Table 1:

Complaints Received in Fiscal Year 2018

City Auditor Investigations	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total FY 18
Fraud	3	1	3	3	10
Waste and Abuse	7	4	4	8	23
Theft of Time	0	1	0	0	1
Customer Relations	0	0	1	0	1
Subtotal OCA Investigations	10	6	8	11	35
City Department Investigations					
Conflict of Interest	0	0	1	0	1
Customer Relations	1	0	1	1	3
Discrimination	0	0	1	0	1
Employee Relations	5	8	4	0	17
Fraud	0	6	0	6	12
Miscellaneous	2	1	2	2	7
Safety and Sanitation	2	4	2	3	11
Theft of Goods	1	1	0	1	3
Theft of Time	6	8	1	0	15
Waste and Abuse	18	19	12	13	62
Subtotal Department Investigations	35	47	24	26	132
Total Complaints Received In Purview of Fraud Hotline	45	53	32	37	167
Direct Referrals, Non-City Complaints or Complaints Not in Purview of Fraud Hotline	10	18	15	16	59
Total Complaints Received in FY 18	55	71	47	53	226

Status of Hotline Complaints

As reported, 53 complaints were filed with the Hotline between April 1, 2018 and June 30, 2018. It was determined that 16 of these complaints were not in the purview of the Fraud Hotline, leaving 37 complaints that were added to the inventory.

In addition to the receipt of 37 new complaints for investigation, 43 City-related complaints remained open and unresolved at the end of the previous quarter, resulting in an active inventory of 80 complaints during the fourth quarter of Fiscal Year 2018. **Table 2**, below, summarizes the status of Fraud Hotline complaints for the fourth quarter of Fiscal Year 2018.

Of the 80 active complaints in our inventory, 32 remain open and unresolved, and 48 were closed. Two City Auditor investigations were found to be substantiated, one resulted in corrective action, and fifteen were found to be unsubstantiated or were otherwise resolved. The allegations made in five Department investigations were found to be substantiated, five were closed with corrective action, and 20 were unsubstantiated or were otherwise resolved.

Table 2:

Status of Fraud Hotline Complaints

Complaint Status	City Auditor Investigations	Referred to Dept.	Total City-Related	Not in Hotline’s Purview	Total
Unresolved on 4/1/18 ¹	22	21	43	0	43
Received in 4 th Quarter	11	26	37	16	53
Subtotal – Active Inventory	33	47	80	16	96
Complaints Closed	-18	-30	-48	-16	-64
Substantiated	-2	-5	-7	-0	-7
Corrective Action	-1	-5	-6	-0	-6
Unsubstantiated/other	-15	-20	-35	-16	-51
Unresolved on 6/30/18	15	17	32	0	32

¹ Some modifications were made to the Fiscal Year 2018 Third Quarter ending balance that affected the beginning balance for this report. Fraud Hotline report number 125767868 was omitted from the report, bringing the ending balance for Department investigations from 22 to 23. Cases 126970968 and 127026018 were transferred from Department investigations to OCA investigations during the quarter, making the revised total ending balance 21. With the addition of the two transferred cases, the ending balance from the OCA investigations went from 20 to 22.

City Auditor Investigations Summary

Table 3 summarizes the status of the 33 active City Auditor Fraud Hotline investigations during the fourth quarter of Fiscal Year 2018, including the incident type, complaint number, date the complaint was received, a general description of the complaint, case status, and the final resolution date.

Table 3:

Status of City Auditor Hotline Investigations

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
1	Fraud	126968248	Received	2/21/18	Substantiated	5/21/18
<p>We received an allegation that a Parks and Recreation Department (Parks) Custodian removed a residential water meter locking device, bypassed the water meter, used a meter that was removed from a nearby residence, and may have stolen City cleaning supplies for home use. Our investigation determined that the Parks employee violated San Diego Municipal Code sections related to theft of water through illegal service connections, and used City supplies personally in violation of City policy. We made one recommendation to Department management, which was to conduct an independent investigation to determine if City policies were violated and take the appropriate corrective action with respect to the identified employee. Management agreed to implement the recommendation.</p> <p>A public report was issued on May 21, 2018, and can be found at: www.sandiego.gov/sites/default/files/fraud_hotline_investigation_of_water_theft_and_theft_of_cleaning_supplies_0.pdf</p>						

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
2	Miscellaneous	126970968	Received	2/21/18	Substantiated	5/16/18
<p>An allegation regarding employees parking illegally in handicapped parking spaces was investigated and found to be substantiated. Our investigation determined that two Public Utilities Department (PUD) employees used permanent placards that were not issued to them and were not truthful when asked about the validity of the placards. One of the employees apparently misled Law Enforcement during their investigation.</p> <p>We made one recommendation to PUD management to conduct an independent Fact Finding investigation to determine if City policies were violated, and take the appropriate corrective action with respect to the identified employees. We made a second recommendation to PUD management to coordinate the installation of appropriate signage and striping at the identified City facility to ensure that Disabled Person Placard violations are enforceable. Our third recommendation was for City management to evaluate City employees' use of Disabled Persons parking spaces at City facilities to determine if there should be a policy in order to deter fraud, save Law Enforcement resources, and identify the need for Disabled Persons' parking spaces. PUD and City management agreed to implement all three recommendations.</p> <p>A public report was issued on May 16, 2018, and can be found at: www.sandiego.gov/sites/default/files/fraud_hotline_investigation_of_disabled_person_placard_fraud.pdf</p>						
3	Abuse	126876169	Received	2/3/18	Corrective Action	5/25/18
<p>An allegation regarding excessive water bill charges was investigated by the department and resulted in corrective action. A credit was applied to the customer's account.</p>						
4	Fraud	125106322	Received	3/9/17	Unsubstantiated	5/17/18
<p>An allegation regarding fraud involving a City agency was investigated and found to be unsubstantiated.</p>						
5	Abuse	125512239	Received	5/23/17	Unsubstantiated	5/25/18
<p>An allegation regarding abuse of discretion, policy violations, and waste at a City Department was investigated and found to be unsubstantiated.</p>						
6	Abuse	125939634	Received	8/9/17	Unsubstantiated	6/18/18
<p>An allegation regarding a City vendor that does not have a valid contractor's license to perform the work required was investigated and determined to be unsubstantiated.</p>						
7	Fraud	126205519	Received	9/27/17	Unsubstantiated	6/13/18
<p>An allegation regarding fraud related to contracts with City vendors was investigated and found to be unsubstantiated.</p>						

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
8	Waste	126368156	Received	10/27/17	Unsubstantiated	6/12/18
	An allegation regarding waste related to the hiring of an executive at a City agency was investigated and found to be unsubstantiated.					
9	Abuse	126706644	Received	1/2/18	Unsubstantiated	6/12/18
	An allegation regarding abuse of authority and poor internal controls at a City agency was investigated and found to be unsubstantiated.					
10	Fraud	126718901	Received	1/4/18	Unsubstantiated	5/25/18
	An allegation of waste and fraud related to unnecessary construction work was investigated and found to be unsubstantiated.					
11	Abuse	126896337	Received	2/7/18	Unsubstantiated	6/11/18
	An allegation regarding misinformation related to inventory review service contracts was investigated and found to be unsubstantiated.					
12	Abuse	127009078	Received	2/28/18	Unsubstantiated	6/21/18
	An allegation regarding retaliation related to a prior Fraud Hotline report was investigated and found to be unsubstantiated.					
13	Abuse	367598326801	Received	4/16/18	Unsubstantiated	5/4/18
	An allegation that the City was improperly accounting for retirement obligations was investigated and found to be unsubstantiated.					
14	Waste	825278280101	Received	5/30/18	Unsubstantiated	6/5/18
	An allegation regarding fraudulent use of a Disabled Person Parking Placard was investigated and found to be unsubstantiated.					
15	Abuse	436662880201	Received	6/14/18	Unsubstantiated	6/14/18
	An allegation regarding missing developer funds was investigated and determined to be unsubstantiated.					
16	Abuse	202974169101	Received	6/20/18	Unsubstantiated	6/27/18
	An allegation regarding high water bills with no resolution from PUD was investigated and found to be unsubstantiated.					
17	Waste	126265623	Received	10/6/17	No Further Action Necessary	6/11/18
	An allegation regarding waste related to uncollected fees for shared maintenance costs will be added to the City Auditor's Audit workplan process. No further action is necessary.					

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
18	Customer Relations	126999254	Received	2/27/18	No Further Action Necessary	4/25/18
	An allegation regarding an inaccurate bill for services never received was referred to the appropriate agency and closed with no further action necessary.					
19	Fraud	125610382	Received	6/11/17	Open/Unresolved	
	Allegation regarding fraudulent contract and billing practices.					
20	Abuse	125750480	Received	7/6/17	Open/Unresolved	
	Allegation regarding abuse of discretion in Purchase Requisition approvals.					
21	Fraud	125847009	Received	7/24/17	Open/Unresolved	
	Allegation regarding potential fraud in Jury Duty payments for City employees.					
22	Abuse	126197651	Received	9/25/17	Open/Unresolved	
	Allegation regarding abuse of discretion related to contract awards.					
23	Abuse	126265359	Received	10/6/17	Open/Unresolved	
	Allegation regarding Public Records Act violations.					
24	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.					
25	Fraud	126877325	Received	2/4/18	Open/Unresolved	
	Allegation regarding fraudulent use of City data for personal profit.					
26	Abuse	127026018	Received	3/4/18	Open/Unresolved	
	Allegation regarding threats of violence by a City employee.					
27	Fraud	375187332501	Received	4/13/18	Open/Unresolved	
	Allegation regarding potential undisclosed outside employment.					
28	Waste	854457253701	Received	4/30/18	Open/Unresolved	
	An allegation regarding waste due to an unoccupied City facility.					
29	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.					

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
30	Waste	996832837501	Received	5/17/18	Open/Unresolved	
	Allegation/Outcome An allegation regarding waste due to vehicle acquisition costs.					
31	Abuse	227771438101	Received	6/7/18	Open/Unresolved	
	Allegation regarding abuse related to excessive downtown parking expenses for City employees and waitlists for City-owned lots.					
32	Abuse	705817506701	Received	6/20/18	Open/Unresolved	
	Allegation regarding improper handling of a paper paycheck.					
33	Fraud	931671643001	Received	6/29/18	Open/Unresolved	
	Allegation regarding waste and abuse at a City department.					

City Department Investigations Summary

The City Auditor, through the Intake and Review Committee, reviews the final resolution of complaints investigated by the departments to ensure that the department has taken the proper actions to resolve the complaint. A complaint 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 47 active Fraud Hotline investigations conducted by the Departments during the fourth quarter of Fiscal Year 2018, including the incident type, a general description of the complaint, and the case status.

Table 4:

Status of Department-Investigated Fraud Hotline Complaints

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
1	Theft of Time	126432363	Received	11/7/17	Substantiated	5/3/18
	An allegation regarding a City employee parking at a restaurant for extensive time periods on a daily basis was investigated and found to be substantiated. The Department took the appropriate corrective action with respect to the employee.					
2	Theft of Time	126535227	Received	11/28/17	Substantiated	5/3/18
	An allegation regarding theft of time and use of City resources to run a private business was investigated and found to be substantiated. The Department took the appropriate corrective action with respect to the identified employee.					
3	Abuse	126933017	Received	2/14/18	Substantiated	4/18/18
	An allegation regarding inappropriate access to City facilities and data by a non-City employee was investigated and found to be substantiated. Department management changed the door code to access the facility, reminded staff of City policies, and took the appropriate corrective actions with respect to the identified employee and supervisor.					
4	Customer Relations	947489303401	Received	4/5/18	Substantiated	5/16/18
	An allegation regarding water meters that did not appear to have been read was investigated and found to be substantiated. The customer's account has been corrected to reflect the accurate read. PUD will continue to perform supervisory reviews of detailed route reports and spot check portions of routes to minimize the potential for misreads. Additionally, Supervisors will continue to discuss the importance of obtaining accurate reads with all of the Field Representatives at tailgate meetings.					

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
5	Safety and Sanitation	561833333101	Received	4/26/18	Substantiated	6/27/18
An allegation regarding unsafe conditions near a public park were investigated and substantiated. Department staff spoke with the identified transient person and advised that future concerns should be reported to the San Diego Police Department's non-emergency number 619-531-2000. The unsafe condition related to golf balls flying into the 28th Street Park will be addressed through tree planting along the fence line.						
6	Abuse	126335633	Received	10/19/17	Corrective Action	4/18/18
An allegation regarding abuse and unethical behavior related to a hiring process was investigated and resulted in corrective action. In the future, the department's Appointing Authority will check against potential conflicts of interest or any perceived mismanagement of the interview and selection process. Additionally, all department Appointing Authorities will be retrained in the importance of strict enforcement of the Appointing Authority Interview Training guidelines for fair and objective interviews.						
7	Abuse	655098169601	Received	3/22/18	Corrective Action	5/3/18
An allegation regarding improper use of City resources was investigated and resulted in corrective action. The employee in question provided documentation regarding the business purpose for the parking stamps that were used.						
8	Customer Relations	926332114501	Received	3/31/18	Corrective Action	5/16/18
An allegation regarding poor trash service was investigated and resulted in corrective action. Staff were reminded to follow operational procedures by returning the containers curbside, wheels against the curb, and reporting in to supervisors when this is not possible due to vehicle interference or safety reasons.						
9	Safety and Sanitation	988048714701	Received	5/2/18	Corrective Action	5/16/18
An allegation regarding male employees entering women's restrooms inappropriately was investigated and resulted in corrective action. The department provided additional training to staff regarding proper procedures.						
10	Theft of Goods/Services	602229224301	Received	5/14/18	Corrective Action	6/27/18
An allegation of theft of petty cash was investigated and resulted in corrective action. The Department will conduct regular monthly Petty Cash Fund reconciliations, staff were provided with training materials and will undergo additional training, and appropriate corrective action was taken with respect to the identified employee.						

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
11	Abuse	125767868	Received	7/10/17	Unsubstantiated	4/4/18
	An allegation of abuse related to a department's report was investigated and found to be unsubstantiated.					
12	Abuse	126614523	Received	12/12/17	Unsubstantiated	5/31/18
	An allegation of abuse of call-back pay was investigated and found to be unsubstantiated.					
13	Waste	126805383	Received	1/22/18	Unsubstantiated	5/3/18
	An allegation regarding waste and financial mismanagement related to a planned relocation was investigated and determined to be unsubstantiated.					
14	Theft of Time	126910773	Received	2/9/18	Unsubstantiated	4/18/18
	An allegation regarding theft of time was investigated and determined to be unsubstantiated.					
15	Abuse	126976778	Received	2/22/18	Unsubstantiated	5/3/18
	An allegation regarding an unfair hiring process was investigated and found to be unsubstantiated.					
16	Abuse	126982030	Received	2/23/18	Unsubstantiated	5/3/18
	An allegation regarding inappropriate comments in the workplace was investigated and found to be unsubstantiated.					
17	Abuse	126982183	Received	2/23/18	Unsubstantiated	4/18/18
	An allegation regarding expenditures in excess of contractual capacity was investigated and determined to be unsubstantiated.					
18	Abuse	126983171	Received	2/23/18	Unsubstantiated	4/18/18
	An allegation regarding an unfair community planning group election process was investigated and determined to be unsubstantiated.					
19	Abuse	127009608	Received	3/1/18	Unsubstantiated	5/3/18
	An allegation of abuse related to construction contract administration was investigated and determined to be unsubstantiated.					
20	Conflict of Interest	127014170	Received	3/1/18	Unsubstantiated	4/18/18
	An allegation regarding a conflict of interest in a grant award was investigated and determined to be unsubstantiated.					

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
21	Waste	488127743601	Received	4/2/18	Unsubstantiated	5/31/18
	An allegation regarding waste due to repeated street construction projects was investigated and found to be unsubstantiated. The project in question was necessary due to ADA compliance requirements.					
22	Abuse	507506615201	Received	4/5/18	Unsubstantiated	5/31/18
	An allegation regarding overtime abuse and poor supervision was investigated and found to be unsubstantiated.					
23	Abuse	240164742901	Received	4/5/18	Unsubstantiated	5/31/18
	An allegation regarding leave time abuse and unfair work allocations was investigated and found to be unsubstantiated.					
24	Fraud	858224219501	Received	4/9/18	Unsubstantiated	5/3/18
	An allegation regarding Workers' Compensation fraud was investigated and determined to be unsubstantiated.					
25	Fraud	619597860001	Received	4/25/18	Unsubstantiated	6/13/18
	An allegation regarding a City employee who misrepresented information on their job application with the City several years ago was investigated and found to be unsubstantiated.					
26	Abuse	883855216201	Received	5/2/18	Unsubstantiated	5/16/18
	An allegation regarding a City agency that is not providing services as required under its contract was investigated and found to be unsubstantiated.					
27	Waste	535829070701	Received	5/9/18	Unsubstantiated	6/13/18
	An allegation of waste related to excess software costs was investigated and found to be unsubstantiated.					
28	Abuse	224794482301	Received	5/18/18	Unsubstantiated	6/13/18
	An allegation regarding the unauthorized personal use of a City vehicle was investigated and found to be unsubstantiated.					
29	Miscellaneous	240761320401	Received	5/22/18	Unsubstantiated	6/13/18
	An allegation regarding mishandling of City documents was investigated and found to be unsubstantiated.					
30	Miscellaneous	126076120	Received	9/2/17	No Further Action Necessary	4/18/18
	An allegation regarding a permit violation was investigated and determined to be outside the purview of the Fraud Hotline and the case was closed with no further action necessary.					

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
31	Employee Relations	126793938	Received	1/19/18	Open/Unresolved	
Allegation of harassment and retaliation by a supervisor.						
32	Abuse	126835999	Received	1/26/18	Open/Unresolved	
Allegation regarding inappropriate comments in the workplace.						
33	Employee Relations	126921143	Received	2/12/18	Open/Unresolved	
Allegation regarding an abusive manager.						
34	Discrimination	127053271	Received	3/8/18	Open/Unresolved	
Allegation regarding sexual harassment in the workplace.						
35	Waste	578554168601	Received	4/2/18	Open/Unresolved	
Allegation regarding waste due to unnecessary travel and training expenses.						
36	Fraud	925710384501	Received	4/22/18	Open/Unresolved	
Allegation regarding theft of time and other misconduct by a City employee.						
37	Abuse	776747495901	Received	5/21/18	Open/Unresolved	
An allegation regarding threatening and abusive behavior by City employees.						
38	Fraud	290611804901	Received	5/22/18	Open/Unresolved	
Allegation regarding workers' compensation fraud.						
39	Safety and Sanitation	560248677001	Received	5/25/18	Open/Unresolved	
Allegation regarding dangerous ground-covering wood chips.						
40	Abuse	910000797201	Received	6/6/18	Open/Unresolved	
Allegation regarding theft of time by several employees on a routine basis.						
41	Abuse	719846764201	Received	6/13/18	Open/Unresolved	
Allegation regarding improper hiring procedures.						

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
	Allegation/Outcome					
42	Abuse	625298396401	Received	6/15/18	Open/Unresolved	
	Allegation regarding an inappropriate relationship between a supervisor and a direct-report employee.					
43	Fraud	554768667801	Received	6/19/18	Open/Unresolved	
	Allegation regarding a fraudulent fee waiver application.					
44	Miscellaneous	799055242101	Received	6/26/18	Open/Unresolved	
	Allegation regarding improper shift differential payments.					
45	Abuse	757402556601	Received	6/26/18	Open/Unresolved	
	Allegation regarding an improper hiring process.					
46	Abuse	769485158501	Received	6/28/18	Open/Unresolved	
	Allegation regarding unsafe driving by a City employee.					
47	Fraud	444005909001	Received	6/28/18	Open/Unresolved	
	Allegation regarding theft of cash.					

Not in Purview Complaints Summary

Table 5, below, summarizes the results of the 16 Fraud Hotline complaints that were received during the fourth quarter of Fiscal Year 2018, 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	Complaint #	Received	Date	Status/Outcome	Date
1	Miscellaneous	536138170701	Received	4/5/18	No Further Action Necessary	4/5/18
An allegation regarding a non-City legal matter was not in the purview of the City's Fraud Hotline to investigate. The case was closed.						
2	Miscellaneous	938991563201	Received	4/6/18	No Further Action Necessary	4/6/18
An allegation regarding a non-City matter was not in the purview of the City's Fraud Hotline to investigate and the case was closed.						
3	Customer Relations	650354544801	Received	4/11/18	No Further Action Necessary	4/17/18
An allegation regarding an improper referral to collections was reviewed and determined to not be within the purview of the Fraud Hotline. As a result, the case was closed.						
4	Fraud	728905283201	Received	4/12/18	No Further Action Necessary	4/13/18
An allegation regarding a non-City-related fraud scheme was not in the purview of the Fraud Hotline so the case was closed.						
5	Fraud	654511810401	Received	5/2/18	No Further Action Necessary	5/3/18
An allegation regarding embezzlement by a non-City employee was determined to be not in the purview of the Fraud Hotline and was closed.						
6	Miscellaneous	213208917901	Received	5/6/18	No Further Action Necessary	5/8/18
An allegation regarding a non-City matter was not in the purview of the City's Fraud Hotline to investigate and the case was closed.						

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
7	Miscellaneous	725298736101	Received	5/11/18	No Further Action Necessary	5/14/18
An allegation regarding a private legal issue was not in the purview of the Fraud Hotline. The case was closed.						
8	Miscellaneous	728080286901	Received	5/11/18	No Further Action Necessary	5/14/18
An allegation regarding a non-City financial issue was closed as not within the purview of the Fraud Hotline.						
9	Fraud	213330951701	Received	5/19/18	No Further Action Necessary	5/21/18
An allegation regarding an fraudulent online solicitation was not in the purview of the City's Fraud Hotline. The complainant was referred to the San Diego Police Department.						
10	Abuse	403366585301	Received	5/23/18	No Further Action Necessary	6/26/18
An allegation regarding inappropriate communication with female employees by a supervisor did not contain sufficient information to investigate. No response to a request for additional information was provided, so the case was closed.						
11	Miscellaneous	843230591501	Received	5/30/18	No Further Action Necessary	5/30/18
An allegation regarding welfare fraud was not in the purview of the Fraud Hotline. The complainant was referred to the appropriate agency.						
12	Miscellaneous	521113943501	Received	5/30/18	No Further Action Necessary	5/31/18
Duplicate of Fraud Hotline Report number 126877325.						
13	Miscellaneous	207909127401	Received	5/30/18	No Further Action Necessary	5/31/18
Duplicate of Fraud Hotline Report number 126877325.						
14	Waste	603672858801	Received	5/31/18	No Further Action Necessary	5/31/18
Duplicate of Fraud Hotline Report number 854457253701.						

No.	Incident Type	Complaint #	Received	Date	Status/Outcome	Date
15	Miscellaneous	240684800201	Received	6/18/18	No Further Action Necessary	6/18/18
	An allegation regarding a non-City employee was not in the purview of the Fraud Hotline, and the case was closed.					
16	Abuse	916127920901	Received	6/21/18	No Further Action Necessary	6/25/18
	An allegation regarding several issues that were not in the purview of the City's Fraud Hotline were reported. The caller was referred to appropriate agencies and the case was closed.					

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 2018, we have applied approximately 2,873 hours administering the Fraud Hotline, coordinating Intake and Review Committee activities, and investigating Fraud Hotline complaints. 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,



Eduardo Luna
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
Andrea Tevlin, Independent Budget Analyst
