
CITY AUDITOR'S QUARTERLY FRAUD HOTLINE REPORT

Fiscal Year 2020

Quarter 1

**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



THE CITY OF SAN DIEGO

DATE: October 15, 2019
TO: Honorable Members of the Audit Committee
FROM: Kyle Elser, Interim City Auditor
SUBJECT: City Auditor's Quarterly Fraud Hotline Report – Fiscal Year 2020 Quarter 1

Reports Received in the First Quarter of Fiscal Year 2020

During the first quarter of Fiscal Year 2020 (July – September 2019), we received 53 Fraud Hotline reports. We added six new reports to be investigated by the Office of the City Auditor, and presented 31 reports to the Intake and Review Committee to be referred to City Departments for investigation and resolution. We found that 16 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 2020.



OFFICE OF THE CITY AUDITOR
600 B STREET, SUITE 1350 • 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:**Reports Received in Fiscal Year 2020**

City Auditor Investigations	Qtr 1
Abuse	5
Fraud	1
Subtotal OCA Investigations	6
City Department Investigations	
Abuse	18
Fraud	1
Safety and Sanitation	3
Theft of Goods/ Services	1
Theft of Time	4
Waste	4
Subtotal Department Investigations	31
Total Reports Received in Purview of Fraud Hotline	37
Direct Referrals, Non-City Reports or Reports Not in Purview of Fraud Hotline	16
Total Reports Received in FY 20	53

Status of Hotline Reports

A total of 53 reports were filed with the Fraud Hotline between July 1, 2019 and September 30, 2019. We determined that 16 of these reports were not in the purview of the Fraud Hotline, leaving 37 reports that were added to the inventory.

In addition to the receipt of 37 new reports for investigation, 58 City-related reports remained open and unresolved at the end of the previous quarter, resulting in an active inventory of 95 reports during the first quarter of Fiscal Year 2020. **Table 2**, below, summarizes the Fraud Hotline activity for the first quarter of Fiscal Year 2020.

Of the 95 active reports in our inventory, 53 remain open and unresolved, and 42 were closed. Two City Auditor investigations were investigated and found to be substantiated, five were found to be unsubstantiated or closed with no further action necessary. The allegations made in seven Department investigations were found to be substantiated, seven were closed with corrective action, and 21 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 7/1/19 ¹	21	37	58	2	60
Received in 1 st Quarter	6	31	37	16	53
Subtotal – Active Inventory	27	68	95	18	113
Reports Closed	-7	-35	-42	-18	-60
Substantiated	-2	-7	-9	-0	-9
Corrective Action	-0	-7	-7	-0	-7
Unsubstantiated/other	-5	-21	-26	-18	-44
Unresolved on 9/30/19	20	33	53	0	53

¹ A modification was made to the Fiscal Year 2019 Fourth Quarter ending balance that affected the beginning balance for this report. Report 561079182201 was transferred from a Department-referred to OCA investigation. Reports 758256857901 and 944482180801 were determined to be not within the purview of the Fraud Hotline.

City Auditor Investigations Summary

Table 3 summarizes the status of the 27 active City Auditor Fraud Hotline investigations during the first quarter of Fiscal Year 2020, 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
1	Waste	126298451	Received	10/13/17	Substantiated	7/10/19
<p>We investigated a report regarding the free “nonresidential” trash collection services provided to short-term residential occupancy (STRO) properties throughout the City. Previously, the City Attorney’s Office determined that free trash collection for STROs is “very likely” prohibited by the People’s Ordinance and the operation of STROs in residential areas is apparently unlawful. However, the City continues to provide trash collection service to STROs at no charge. We identify possible solutions in our recommendation. Management partially agreed with our recommendation.</p> <p>A public report was issued on 7/10/19 and can be found on our website at: www.sandiego.gov/sites/default/files/20-001_hotline_report_of_improper_free_trash_collection_at_short-term_residential_occupancy_units.pdf</p>						
2	Abuse	305599739801	Received	8/16/18	Substantiated	9/11/19
<p>We investigated a report that the City unfairly awarded a multi-million-dollar contract to a vendor using a cooperative procurement process and our report identified numerous deviations from the City’s established contracting processes, procedures, and best practices. We made nine recommendations and management agreed to implement all of the recommendations directed to them.</p> <p>A public report was issued on 9/11/19 and can be found on our website at: www.sandiego.gov/sites/default/files/20-003-hotline_report_of_abuse_related_to_the_unfair_award_of_a_multi-million-dollar_contract.pdf</p>						

October 15, 2019

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
3	Abuse	799055242101	Received	6/26/18	Unsubstantiated	7/25/19
	An allegation regarding waste and abuse associated with improper shift differential payments was investigated and determined to be unsubstantiated.					
4	Abuse	430648675501	Received	10/8/18	Unsubstantiated	8/5/19
	An allegation regarding abuse of discretion in grant awards by a City agency was investigated and determined to be unsubstantiated.					
5	Abuse	337824194201	Received	10/12/18	Unsubstantiated	8/6/19
	An allegation regarding abuse related to a contract for services was investigated and determined to be unsubstantiated.					
6	Abuse	237850064101	Received	12/17/18	Unsubstantiated	8/7/19
	An allegation of invoice approvals without adequate review was investigated and determined to be unsubstantiated.					
7	Abuse	582331531901	Received	1/14/19	Unsubstantiated	8/9/19
	An allegation regarding whether the appropriate development fees are being paid by a private company was investigated and determined to be unsubstantiated.					
8	Abuse	126265359	Received	10/6/2017	Open/Unresolved	
	Allegation regarding Public Records Act violations.					
9	Waste	894746686401	Received	9/18/18	Open/Unresolved	
	Allegation that the City has provided water to a non-residential customer for years without charge.					
10	Abuse	684357487601	Received	11/8/18	Open/Unresolved	
	Allegation of abuse of discretion by management in response to a complaint regarding a safety concern.					
11	Abuse	574095018401	Received	12/31/18	Open/Unresolved	
	Allegation regarding excess discretionary leave awards.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
12	Abuse	827609647101	Received	1/22/19	Open/Unresolved	
	Allegation of a contract that was not processed according to City policy.					
13	Fraud	696179688501	Received	3/4/19	Open/Unresolved	
	Allegation of fraud, waste, and abuse at a City department related to improper billing for services.					
14	Abuse	976576095401	Received	3/11/19	Open/Unresolved	
	Allegation of abuse of discretion resulting in a City Charter violation.					
15	Fraud	732526148501	Received	3/11/19	Open/Unresolved	
	Allegation of fraud perpetrated by City employees.					
16	Abuse	783186805201	Received	3/18/19	Open/Unresolved	
	Allegation of inaccurate reports being filed by a City department.					
17	Abuse	903091045001	Received	3/21/19	Open/Unresolved	
	Allegation of violations of State law at a City department.					
18	Abuse	561079182201	Received	4/12/19	Open/Unresolved	
	Allegation of abuse of discretion by a supervisor.					
19	Safety and Sanitation	403063557501	Received	4/17/19	Open/Unresolved	
	Allegation of unsafe handling of hazardous materials.					
20	Abuse	274212080301	Received	4/23/19	Open/Unresolved	
	Allegation regarding excessive charges for board-up services after a burglary.					
21	Abuse	261877906601	Received	4/30/19	Open/Unresolved	
	Allegation of abuse related to Industrial Leave.					
22	Abuse	355963460201	Received	7/1/19	Open/Unresolved	
	Allegation of PRA abuse at a City department.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
23	Abuse	270224416801	Received	8/7/19	Open/Unresolved	
	Allegation of abuse of discretion in hiring at a City department.					
24	Fraud	832218363901	Received	8/16/19	Open/Unresolved	
	Allegation of theft of time and use of City equipment for outside employment.					
25	Abuse	747427064001	Received	8/28/19	Open/Unresolved	
	Allegation of abuse of discretion by management at a City department.					
26	Abuse	687865225601	Received	9/16/19	Open/Unresolved	
	Allegation regarding abuse of discretion and violation of a federal grant.					
27	Abuse	805376539601	Received	9/17/19	Open/Unresolved	
	Allegation regarding unclear remote-working policies, procedures, and oversight.					

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 68 active Fraud Hotline investigations conducted by the Departments during the first quarter of Fiscal Year 2020, 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	Theft of Time	347551526201	Received	9/27/18	Substantiated	7/24/19
	An allegation regarding theft of time by a City employee sleeping in a City vehicle was investigated and substantiated. The department took the appropriate corrective action with respect to the identified employee.					
2	Abuse	300540688901	Received	5/20/19	Substantiated	7/10/19
	An allegation of a possible Brown Act violation was investigated and substantiated. A potential violation was corrected via a subsequent, more-detailed agenda item description and presentation.					
3	Safety and Sanitation	877353546601	Received	5/24/19	Substantiated	9/4/19
	An allegation regarding un-permitted construction was investigated and determined to be substantiated. The Development Services Department issued a Civil Penalty Notice and Order.					
4	Employee Relations	867616047001	Received	5/30/19	Substantiated	7/24/19
	An allegation regarding unfair parking privileges for three employees was investigated and determined to be substantiated. The department corrected the issue.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
5	Theft of Time	322460544401	Received	6/9/19	Substantiated	7/10/19
	An allegation regarding theft of time by a City employee was investigated and substantiated. The department took the appropriate corrective action with respect to the identified employee.					
6	Safety and Sanitation	283017905801	Received	6/10/19	Substantiated	7/10/19
	An allegation that included a reference to a weapon was immediately referred to HR and the Personnel Director. The weapon was determined to be a BB gun, but the City's Weapon-Free Workplace Policy prohibits the possession of BB guns on City property. The department took the appropriate corrective action with respect to the identified employee.					
7	Abuse	973739911701	Received	7/30/19	Substantiated	9/18/19
	An allegation of abuse of discretion regarding City-imposed fees charged to a customer was investigated and determined to be substantiated. The customer was issued a refund and the department took the appropriate corrective action with respect to the identified employees.					
8	Abuse	437963308401	Received	3/20/19	Corrective Action	7/10/19
	An allegation of abusive behavior by a manager directed at subordinate employees was investigated and resulted in corrective action. The department took the appropriate corrective action with respect to the identified employee.					
9	Waste	911681539801	Received	4/12/19	Corrective Action	7/24/19
	An allegation of waste related to a one-time City-sponsored special event was investigated and determined to be unsubstantiated. However, the department intends to plan more conservatively for future event attendance and expenditures. The allegation regarding waste related to a renovation project was reviewed and found to be unsubstantiated.					
10	Waste	578559623101	Received	4/23/19	Corrective Action	9/18/19
	An allegation of waste associated with vehicle purchases was investigated and resulted in corrective action. In order to achieve the most competition from vehicle up-fitters, the City and the purchasing organization advertised and invited firms to compete.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
11	Abuse	995887940501	Received	5/13/19	Corrective Action	7/10/19
	An allegation of hiring abuse at a City department was investigated and resulted in corrective action. Management communicated detailed information regarding the position and hiring process to staff.					
12	Theft of Time	414471525001	Received	5/15/19	Corrective Action	7/10/19
	An allegation of theft of time was investigated and resulted in corrective action. The department conducted a tailgate training with staff to review working hours and timekeeping policies.					
13	Abuse	291709750701	Received	6/28/19	Corrective Action	9/4/19
	An allegation regarding abuse of shift assignments was investigated and resulted in corrective action. The department took the appropriate corrective action with respect to the identified employee.					
14	Safety and Sanitation	449639911401	Received	7/17/19	Corrective Action	9/4/19
	A report regarding an unsafe City vehicle was referred to the asset-owning Department to investigate. The vehicle was inspected and repaired.					
15	Discrimination	611870448101	Received	9/21/18	Unsubstantiated	9/4/19
	An allegation regarding unfair treatment and promotions based on ethnicity was referred to the Equal Employment Investigations Office for investigation. The investigation determined that the allegation was unsubstantiated.					
16	Discrimination	548950076001	Received	2/2/19	Unsubstantiated	7/10/19
	An allegation regarding discrimination based on gender was investigated and determined to be unsubstantiated.					
17	Fraud	274748224401	Received	4/11/19	Unsubstantiated	7/24/19
	An allegation of a fraudulent Workers' Compensation claim was investigated and determined to be unsubstantiated.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
18	Waste	260247088001	Received	4/22/19	Unsubstantiated	7/10/19
	An allegation regarding waste related to similar compensation for different job duties was investigated and determined to be unsubstantiated.					
19	Abuse	847294727901	Received	5/24/19	Unsubstantiated	7/10/19
	An allegation regarding abuse of discretion regarding a disabled parking violation was investigated and determined to be unsubstantiated.					
20	Safety and Sanitation	308277685601	Received	5/29/19	Unsubstantiated	7/24/19
	An allegation of a poorly maintained City bathroom was investigated and determined to be unsubstantiated.					
21	Abuse	687858697801	Received	5/30/19	Unsubstantiated	7/10/19
	An allegation of abuse related to a building code violation was investigated and determined to be unsubstantiated.					
22	Theft of Time	202792533001	Received	5/31/19	Unsubstantiated	7/10/19
	An allegation of theft of time by three City employees was investigated and determined to be unsubstantiated.					
23	Employee Relations	230113882201	Received	6/2/19	Unsubstantiated	7/10/19
	An allegation regarding favoritism at a City department was investigated and determined to be unsubstantiated.					
24	Theft of Time	792740985901	Received	6/18/19	Unsubstantiated	9/4/19
	An allegation regarding theft of time and outside employment on City time was investigated and determined to be unsubstantiated.					
25	Abuse	240134807001	Received	6/20/19	Unsubstantiated	7/24/19
	An allegation regarding unfair hiring was investigated and determined to be unsubstantiated.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
26	Safety and Sanitation	573935930601	Received	6/24/19	Unsubstantiated	7/24/19
	An allegation regarding improper safety procedures at a City facility was investigated and determined to be unsubstantiated.					
27	Theft of Time	383891190701	Received	6/25/19	Unsubstantiated	7/24/19
	An allegation of theft of time was investigated and determined to be unsubstantiated.					
28	Abuse	846122758001	Received	8/5/19	Unsubstantiated	9/4/19
	An allegation of abuse of discretion and insufficient resource allocation at a City department was investigated and determined to be unsubstantiated.					
29	Waste	321390994401	Received	8/6/19	Unsubstantiated	9/4/19
	An allegation of waste related to public funds used to pay for lunch at a City department meeting was investigated and determined to be unsubstantiated.					
30	Waste	910015717701	Received	9/1/19	Unsubstantiated	9/18/19
	An allegation of waste by City employees using City vehicles unnecessarily was investigated and determined to be unsubstantiated.					
31	Abuse	497674660701	Received	4/26/19	No Further Action Necessary	7/10/19
	An allegation of abuse related to damage to private property by a water leak was reviewed and closed with no further action due to pending litigation regarding the same issue.					
32	Safety and Sanitation	299501336201	Received	5/30/19	No Further Action Necessary	7/10/19
	An allegation regarding potential unsafe driving by a City employee was reviewed by the Fraud Hotline Intake and Review committee and closed with no further action necessary based on the information provided and additional information reviewed by the committee.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
33	Employee Relations	641105310301	Received	5/31/19	No Further Action Necessary	8/7/19
	An allegation of ongoing issues regarding an employee that have not been addressed by management lacked details. None were provided within 30 days. Per our procedures, the case was closed with no further action necessary.					
34	Theft of Goods/Services	888823284001	Received	7/24/19	No Further Action Necessary	9/18/19
	An allegation of theft of City equipment was previously reported to Law Enforcement and investigated. No further action is necessary.					
35	Waste	682323397301	Received	7/25/19	No Further Action Necessary	9/4/19
	An allegation of waste due to inefficient work performance was previously resolved. No further action is necessary.					
36	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.					
37	Theft of Goods/Services	606060892501	Received	1/5/19	Open/Unresolved	
	Allegation of unbilled water provided to a commercial customer.					
38	Theft of Time	923115514301	Received	2/12/19	Open/Unresolved	
	Allegation of theft of time at a City facility.					
39	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.					
40	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
41	Theft of Time	485547780401	Received	5/3/19	Open/Unresolved	
	Allegation of theft of time by city employees.					
42	Employee Relations	835965463401	Received	5/30/19	Open/Unresolved	
	Allegation regarding unfair treatment by a manager.					
43	Waste	954076374701	Received	6/14/19	Open/Unresolved	
	Allegation regarding a Code violation resulting in waste.					
44	Discrimination	447009850101	Received	6/21/19	Open/Unresolved	
	Allegation regarding discrimination in promotions was referred to the Equal Employment Investigations Office.					
45	Theft of Time	389994124101	Received	7/3/19	Open/Unresolved	
	Allegation of timecard fraud.					
46	Abuse	256518286501	Received	7/3/19	Open/Unresolved	
	Allegation of leave abuse.					
47	Safety and Sanitation	516786347601	Received	7/7/19	Open/Unresolved	
	Allegation regarding a safety concern relating to an employee's driving history.					
48	Abuse	918609561601	Received	7/7/19	Open/Unresolved	
	Allegation of hiring abuse at a City department.					
49	Abuse	903047881001	Received	7/24/19	Open/Unresolved	
	Allegation of abuse and theft of time by employees visiting a beach on City time.					
50	Fraud	700851828701	Received	7/24/19	Open/Unresolved	
	Allegation of bribe solicitations by supervisors.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
51	Abuse	635988433601	Received	8/5/19	Open/Unresolved	
	Allegation of abuse of discretion by a City employee.					
52	Abuse	365313624301	Received	8/6/19	Open/Unresolved	
	Allegation of abuse related to a water meter problem that has not been resolved for several months.					
53	Abuse	543477176501	Received	8/8/19	Open/Unresolved	
	Allegation of abuse related to City construction contract awards.					
54	Abuse	617850856701	Received	8/15/19	Open/Unresolved	
	Allegation of abuse of discretion in assignments by a manager.					
55	Abuse	517166055301	Received	8/19/19	Open/Unresolved	
	Allegation regarding transportation benefits abuse by a City employee.					
56	Abuse	208586272901	Received	9/2/19	Open/Unresolved	
	Allegation regarding improper add-on pay awards.					
57	Abuse	468101300701	Received	9/2/19	Open/Unresolved	
	Allegation regarding abuse of discretion resulting in an unfair hiring process.					
58	Safety and Sanitation	402839006101	Received	9/3/19	Open/Unresolved	
	Allegation regarding dirty restroom facilities and plumbing problems.					
59	Abuse	834215158101	Received	9/4/19	Open/Unresolved	
	Allegation of hiring abuse.					
60	Theft of Time	917464888801	Received	9/4/19	Open/Unresolved	
	Allegation of theft of time.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
61	Waste	431214879301	Received	9/4/19	Open/Unresolved	
	Allegation of waste related to the SAP printing configuration defaulting to single-sided print jobs.					
62	Abuse	899131203601	Received	9/13/19	Open/Unresolved	
	Allegation regarding illegal parking in a red zone by a City vehicle.					
63	Abuse	494061703601	Received	9/17/19	Open/Unresolved	
	Allegation regarding abuse related to an outside business activity on City time.					
64	Theft of Time	234290522201	Received	9/17/19	Open/Unresolved	
	Allegation regarding theft of time.					
65	Abuse	474798225101	Received	9/22/19	Open/Unresolved	
	Allegation regarding a mother supervising her son.					
66	Theft of Time	906091365101	Received	9/25/19	Open/Unresolved	
	Allegation of theft of time.					
67	Abuse	588961420601	Received	9/27/19	Open/Unresolved	
	Allegation of personal use of a City vehicle.					
68	Abuse	452474457701	Received	9/30/19	Open/Unresolved	
	Allegation regarding a City employee unable to schedule an appointment for services.					

Not in Purview Reports Summary

Table 5, below, summarizes the results of the 16 Fraud Hotline reports that were received during the first quarter of Fiscal Year 2020, 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	Fraud	710815931301	Received	7/2/19	No Further Action Necessary	7/3/19
	An allegation was not in the purview of the Fraud Hotline since it involved a non-City matter. Insufficient information was provided to refer the report, so it was closed.					
2	Miscellaneous	443916330201	Received	7/10/19	No Further Action Necessary	7/15/19
	A caller reporting a non-City issue was referred to the appropriate agency and the case was closed.					
3	Fraud	836182030301	Received	7/10/19	No Further Action Necessary	7/15/19
	A caller reporting a non-City issue was referred to the appropriate agency and the case was closed.					
4	Abuse	434270108501	Received	7/11/19	No Further Action Necessary	9/4/19
	An allegation of abuse of discretion by City employees did not contain sufficient information to investigate. No details were provided in response to our request in more than 30 days. Per our policy, the case was closed.					
5	Fraud	220309508201	Received	7/12/19	No Further Action Necessary	7/15/19
	An allegation regarding a non-City issue was not in the purview of the Fraud Hotline. The reporter was referred to the appropriate agency.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
6	Employee Relations	761065708601	Received	7/12/19	No Further Action Necessary	9/4/19
	A report regarding unclear lines of authority at a City department did not contain sufficient information to investigate. No response to our questions was received in more than 30 days, so the case was closed.					
7	Abuse	698462499701	Received	7/23/19	No Further Action Necessary	7/24/19
	An allegation regarding abuse of discretion related to housing subsidies provided to a public agency, but not private individuals directly, was reviewed and closed with no further action necessary after an interview with the Fraud Hotline reporter.					
8	Fraud	877256396401	Received	7/25/19	No Further Action Necessary	7/25/19
	Allegations were not in the purview of the City's Fraud Hotline. The reporter was referred to the appropriate agencies.					
9	Fraud	277474014601	Received	7/29/19	No Further Action Necessary	8/7/19
	An allegation of fraud at a City department was previously reported and related to matters that have been addressed in litigation. No further action is necessary.					
10	Miscellaneous	894289488901	Received	8/13/19	No Further Action Necessary	8/13/19
	A report regarding a private dispute was not in the purview of the City's Fraud Hotline. The reporter was referred to the appropriate agency.					
11	Fraud	309125535901	Received	8/19/19	No Further Action Necessary	9/6/19
	Duplicate of 517166055301.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
12	Waste	803120922701	Received	8/20/19	No Further Action Necessary	9/30/19
	An allegation of waste of time due to conflicting directives from supervisors at a City department did not contain sufficient information to investigate. No response to our request for additional information was received within 30 days. Per our procedures, the case was closed.					
13	Discrimination	459116351201	Received	8/26/19	No Further Action Necessary	9/6/19
	An allegation that the City discriminates based on age in promotions did not contain sufficient information to investigate based on the information provided in an anonymous note. The report was closed with no further action.					
14	Fraud	311889733601	Received	8/27/19	No Further Action Necessary	9/3/19
	Duplicate of 389994124101.					
15	Abuse	213634263901	Received	9/5/19	No Further Action Necessary	9/5/19
	An allegation regarding a private business was not in the purview of the City's Fraud Hotline. The issue was forwarded to the appropriate government agency for possible investigation.					
16	Abuse	989905517201	Received	9/20/19	No Further Action Necessary	9/20/19
	An allegation was not in the purview of the Fraud Hotline, but was referred to the appropriate agency for investigation.					

October 15, 2019

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 2020, we have applied approximately 557 hours administering the Fraud Hotline, coordinating Intake and Review Committee activities, and investigating Fraud Hotline reports. A total of 2,820 hours was budgeted for the year.

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

Respectfully submitted,

A handwritten signature in black ink that reads "Kyle Elser". The signature is written in a cursive, flowing style.

Kyle Elser

Interim City Auditor

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