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# CITY AUDITOR'S QUARTERLY FRAUD HOTLINE REPORT

*Fiscal Year 2020*

*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](http://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 9, 2020  
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 4

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### Reports Received in the Fourth Quarter of Fiscal Year 2020

During the fourth quarter of Fiscal Year 2020 (April – June 2020), we received 48 Fraud Hotline reports. We added seven new reports to be investigated by the Office of the City Auditor and presented 21 reports to the Intake and Review Committee to be referred to City Departments for investigation and resolution. We found that 20 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**



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**Table 1:****Reports Received in Fiscal Year 2020**

<b>City Auditor Investigations</b>	<b>Qtr 1</b>	<b>Qtr 2</b>	<b>Qtr 3</b>	<b>Qtr 4</b>
Abuse	5	2	9	6
Fraud	1	2	0	1
Accounting/Audit Irregularities	0	0	1	0
<b>Subtotal OCA Investigations</b>	<b>6</b>	<b>4</b>	<b>10</b>	<b>7</b>
<b>City Department Investigations</b>				
Abuse	18	21	23	13
Discrimination	0	2	1	0
Employee Relations	0	0	1	0
Fraud	1	3	1	0
Safety and Sanitation	3	2	3	3
Substance Abuse	0	0	1	1
Theft of Goods/ Services	1	1	1	0
Theft of Time	4	2	6	2
Waste	4	5	5	2
<b>Subtotal Department Investigations</b>	<b>31</b>	<b>36</b>	<b>42</b>	<b>21</b>
<b>Total Reports Received in Purview of Fraud Hotline</b>	<b>37</b>	<b>40</b>	<b>52</b>	<b>28</b>
Direct Referrals, Non-City Reports or Reports Not in Purview of Fraud Hotline	<b>16</b>	<b>14</b>	<b>22</b>	<b>20</b>
<b>Total Reports Received in FY 20</b>	<b>53</b>	<b>54</b>	<b>74</b>	<b>48</b>

### Status of Hotline Reports

A total of 48 reports were filed with the Fraud Hotline between April 1, 2020 and June 30, 2020. We determined that 20 of these reports were not in the purview of the Fraud Hotline, leaving 28 reports that were added to the inventory.

In addition to the receipt of 28 new reports for investigation, 80 City-related reports remained open and unresolved at the end of the previous quarter, resulting in an active inventory of 108 reports during the fourth quarter of Fiscal Year 2020. **Table 2**, below, summarizes the Fraud Hotline activity for the fourth quarter of Fiscal Year 2020.

Of the 108 active reports in our inventory, 49 remain open and unresolved, and 59 were closed. Two City Auditor investigations were investigated and found to be substantiated, two were closed with corrective action, and 12 were found to be unsubstantiated or closed with no further action necessary. The allegations made in six Department investigations were found to be substantiated, four were closed with corrective action, and 33 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 4/1/20 <sup>1</sup>	25	55	<b>80</b>	0	80
Received in 4 <sup>th</sup> Quarter	7	21	<b>28</b>	20	48
Subtotal – Active Inventory	<b>32</b>	<b>76</b>	<b>108</b>	<b>20</b>	<b>128</b>
Reports Closed	<b>-16</b>	<b>-43</b>	<b>-59</b>	<b>-20</b>	<b>-79</b>
Substantiated	-2	-6	-8	-0	-8
Corrective Action	-2	-4	-6	-0	-6
Unsubstantiated/other	-12	-33	-45	-20	-65
Unresolved on 6/30/20	<b>16</b>	<b>33</b>	<b>49</b>	<b>0</b>	<b>49</b>

<sup>1</sup> Reports 791110891601 and 300258366801 were transferred from the Department caseload to the OCA's. As a result, the ending balance from the prior quarter and the beginning balance of this quarter are different.

### City Auditor Investigations Summary

**Table 3** summarizes the status of the 32 active City Auditor Fraud Hotline investigations during the fourth 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	Fraud	732526148501	Received	3/11/19	Substantiated	4/13/20
<p>We investigated an allegation that a City employee accepted gifts from vendors who did business with the City and did not disclose them as required. Our investigation determined that the employee accepted gifts valued at over \$3,000 from two vendors and covertly advised the vendors to increase revenues on City contracts. We made recommendations designed to hold the employee and vendors responsible, and to improve City operations. Management agreed to implement all of our recommendations.</p> <p>A public report was issued on 4/13/20 and can be found on our website at:</p> <p><a href="https://www.sandiego.gov/sites/default/files/20-010_hotlineinvestigationofgiftsreceivedbyacityemployee.pdf">https://www.sandiego.gov/sites/default/files/20-010_hotlineinvestigationofgiftsreceivedbyacityemployee.pdf</a></p>						
2	Abuse	300258366801	Received	3/27/20	Substantiated	6/16/20
<p>We investigated an allegation that the Zebra electric-moped rental company misinformed customers regarding the legal use of their vehicles resulting in vehicle impounds due to the mopeds being used on City streets and moving violations for customers who did not have a class M2 driver's license endorsement. The allegation was determined to be substantiated, but during the course of our investigation the company withdrew from operating in California "due to regulatory issues with the government."</p>						
3	Abuse	561079182201	Received	4/12/19	Corrective Action	5/11/20
<p>An allegation of abuse of discretion by a supervisor was investigated and resulted in corrective action. The department took the appropriate corrective action with respect to the identified employee.</p>						

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
4	Abuse	747427064001	Received	8/28/19	Corrective Action	4/16/20
	An allegation of abuse of discretion by management at a City department was investigated and resulted in corrective action. The Department took action to ensure that the reported businesses were in compliance with storm water regulations.					
5	Abuse	270224416801	Received	8/7/19	Unsubstantiated	5/12/20
	An allegation of abuse of discretion in hiring at a City department was investigated and determined to be unsubstantiated.					
6	Abuse	687865225601	Received	9/16/19	Unsubstantiated	5/20/20
	An allegation regarding abuse of discretion and violation of a federal grant was investigated and determined to be unsubstantiated.					
7	Abuse	437513586001	Received	11/17/19	Unsubstantiated	6/24/20
	An allegation of abuse regarding performance reviews and raises at a City department was investigated and determined to be unsubstantiated.					
8	Abuse	564925254301	Received	1/14/20	Unsubstantiated	4/27/20
	An allegation of abuse related to the improper release of Fraud Hotline materials in a PRA response was investigated and determined to be unsubstantiated.					
9	Abuse	827862942301	Received	2/9/20	Unsubstantiated	4/23/20
	An allegation of abuse of discretion by DSD employees was investigated and determined to be unsubstantiated.					
10	Fraud	791110891601	Received	3/9/20	Unsubstantiated	4/15/20
	An allegation of fraud at a City agency, involving City funds, was investigated and determined to be unsubstantiated.					
11	Abuse	533786982301	Received	3/25/20	Unsubstantiated	4/28/20
	An allegation of abuse by City management requiring staff to appear at their City workplaces during social distancing protocols was investigated and determined to be unsubstantiated.					

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
12	Abuse	999900909701	Received	3/25/20	Unsubstantiated	4/28/20
	An allegation of abuse related to a refund due to a City resident was investigated and determined to be unsubstantiated.					
13	Abuse	310204565301	Received	4/9/20	Unsubstantiated	5/7/20
	An allegation regarding abuse of discretion resulting in a policy violation at a City department was investigated and determined to be unsubstantiated.					
14	Abuse	764717740501	Received	4/30/20	Unsubstantiated	4/30/20
	An allegation of abuse related to an excessive and erroneous automated water bill was investigated and determined to be unsubstantiated after the customer determined that they were responsible for the water consumption that was correctly billed.					
15	Abuse	832218363901	Received	8/16/19	No Further Action Necessary	4/14/20
	An allegation of theft of time and use of City equipment for outside employment was investigated and closed with no further action necessary since the subject employee is no longer employed by the City and the internal control environment will be reviewed as part of a separate investigation as part of Fraud Hotline report number 561079182201.					
16	Abuse	673345506101	Received	4/24/20	No Further Action Necessary	5/27/20
	An allegation of abuse of discretion and unfair treatment by a supervisor did not contain allegations to be investigated, per the Fraud Hotline reporter. As such, the report was closed.					
17	Abuse	827609647101	Received	1/22/19	Open/Unresolved	
	Allegation of a contract that was not processed according to City policy.					
18	Fraud	696179688501	Received	3/4/19	Open/Unresolved	
	Allegation of fraud, waste, and abuse at a City department related to improper billing for services.					
19	Abuse	976576095401	Received	3/11/19	Open/Unresolved	
	Allegation of abuse of discretion resulting in a City Charter violation.					



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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
20	Abuse	783186805201	Received	3/18/19	Open/Unresolved	
	Allegation of inaccurate reports being filed by a City department.					
21	Safety and Sanitation	403063557501	Received	4/17/19	Open/Unresolved	
	Allegation of unsafe handling of hazardous materials.					
22	Abuse	274212080301	Received	4/23/19	Open/Unresolved	
	Allegation regarding excessive charges for board-up services after a burglary.					
23	Abuse	355963460201	Received	7/1/19	Open/Unresolved	
	Allegation of Public Records Act abuse at a City department.					
24	Fraud	822383404901	Received	11/5/19	Open/Unresolved	
	Allegation of fraud perpetrated by a City employee.					
25	Abuse	391546828801	Received	12/16/19	Open/Unresolved	
	Allegation of abuse related to multi-color paint crosswalks.					
26	Abuse	591159565501	Received	1/6/20	Open/Unresolved	
	Allegation of abuse of discretion by City employees regarding building code violations.					
27	Abuse	321820624801	Received	1/8/20	Open/Unresolved	
	Allegation regarding contract abuse.					
28	Abuse	353958676401	Received	2/10/20	Open/Unresolved	
	Allegation of abuse of discretion related to a safety report.					
29	Abuse	796034498601	Received	4/10/20	Open/Unresolved	
	Allegation regarding an unfair removal of a community board member.					
30	Fraud	826474791101	Received	5/21/20	Open/Unresolved	
	Allegation of fraud by a City employee.					
31	Abuse	347090440601	Received	5/24/20	Open/Unresolved	
	Allegation of contract violations by a City-funded agency.					

No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
32	Abuse	797087773001	Received	6/23/20	Open/Unresolved	
Allegation regarding non-compliance with State law.						

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### 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 76 active Fraud Hotline investigations conducted by the Departments during the fourth 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
Allegation/Outcome						
1	Abuse	494061703601	Received	9/17/19	Substantiated	5/27/20
An allegation regarding abuse related to an outside business activity on City time was investigated and determined to be substantiated. An employee was found to have sold snacks during City recreation activities without accounting for the proceeds from 2015-2017. The department took the appropriate corrective action with respect to the identified employee.						
2	Abuse	469076130401	Received	1/7/20	Substantiated	4/3/20
An allegation of abuse related to a residential water customer who did not receive a bill for nearly two years, then received cumulative bills, was investigated and substantiated. The Public Utilities Department issued a partial credit based on potentially erroneous bills.						
3	Safety and Sanitation	444013525201	Received	2/16/20	Substantiated	5/27/20
An allegation related to the untimely response to reports of discarded intravenous needles at City parks was investigated and determined to be substantiated. The reports to the Get it Done app did not result in timely responses. The departments involved have updated the routing of reports and are working with the Performance and Analytics Department to monitor and improve responses.						

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
4	Abuse	237288470101	Received	2/18/20	Substantiated	4/1/20
	An allegation of abuse regarding an excessive water bill was investigated and determined to be substantiated. The customer was re-billed after two consecutive erroneous meter reads by two different Field Representatives.					
5	Waste	293802874501	Received	2/19/20	Substantiated	6/24/20
	An allegation of waste related to an underperforming employee was investigated and determined to be substantiated. A falsified inspection report was discovered and resulted in corrective action with respect to the identified employee.					
6	Abuse	301978921301	Received	3/28/20	Substantiated	4/29/20
	An allegation of a sign violation by a business in the City was investigated and determined to be substantiated. The business voluntarily removed the signs in question after being notified of the violation.					
7	Abuse	239688013201	Received	11/17/19	Corrective Action	5/27/20
	An allegation of abuse related to recycling bin sales in excess of inventory levels was investigated and resulted in corrective action. The recycling bins were delivered to the customer's home.					
8	Abuse	957986315601	Received	1/9/20	Corrective Action	4/15/20
	An allegation regarding subordinate employees being paid more than their supervisors was investigated and resulted in corrective action. The inappropriate supervisory differential in pay was addressed through a special salary adjustment (pending City Council approval).					
9	Abuse	327678470601	Received	1/17/20	Corrective Action	5/27/20
	An allegation regarding poor customer service and abuse of discretion was investigated and resulted in corrective action. Management reminded supervisors about the importance of only reviewing and approving completed time entries.					
10	Theft of Time	997495127701	Received	4/20/20	Corrective Action	5/27/20
	An allegation of theft of time by a City employee was investigated and resulted in corrective action. Staff were reminded that City policy prohibits saving break periods until the end of the day.					

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
11	Waste	833973894301	Received	10/10/19	Unsubstantiated	5/27/20
	An allegation regarding waste of City resources related to equipment purchases was investigated and determined to be unsubstantiated.					
12	Abuse	506860171101	Received	10/14/19	Unsubstantiated	6/24/20
	An allegation regarding hiring abuse was investigated and determined to be unsubstantiated.					
13	Abuse	499638669701	Received	10/15/19	Unsubstantiated	5/27/20
	An allegation regarding hiring abuse was investigated and determined to be unsubstantiated.					
14	Abuse	454551170301	Received	10/22/19	Unsubstantiated	4/29/20
	An allegation of personal use of City equipment was investigated and determined to be unsubstantiated.					
15	Abuse	313639630901	Received	11/6/19	Unsubstantiated	5/27/20
	An allegation of unprofessional conduct by City employees was investigated and determined to be unsubstantiated.					
16	Abuse	427473603801	Received	11/21/19	Unsubstantiated	5/27/20
	An allegation of an unfair hiring process was investigated and determined to be unsubstantiated.					
17	Abuse	457024775201	Received	12/5/19	Unsubstantiated	6/29/20
	An allegation of abuse regarding a City contract was investigated and determined to be unsubstantiated.					
18	Abuse	258241078401	Received	12/10/19	Unsubstantiated	4/15/20
	An allegation of abuse related to a hiring process was investigated and determined to be unsubstantiated.					

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
19	Abuse	664157805401	Received	12/11/19	Unsubstantiated	4/29/20
	An allegation of hiring abuse and discrimination at a City department was investigated and determined to be unsubstantiated.					
20	Abuse	494942400601	Received	12/27/19	Unsubstantiated	4/15/20
	An allegation of abuse of discretion regarding City records was investigated and determined to be unsubstantiated.					
21	Theft of Time	674251433401	Received	1/28/20	Unsubstantiated	4/15/20
	An allegation of theft of time at a City department was investigated and determined to be unsubstantiated.					
22	Waste	343328420801	Received	2/6/20	Unsubstantiated	6/24/20
	An allegation of waste related to unnecessary overtime was investigated and determined to be unsubstantiated.					
23	Theft of Goods/Services	766159753601	Received	2/10/20	Unsubstantiated	4/15/20
	An allegation of personal use of City supplies was investigated and determined to be unsubstantiated.					
24	Substance Abuse	390046713501	Received	2/12/20	Unsubstantiated	4/15/20
	An allegation of substance abuse on City time by City employees was investigated and determined to be unsubstantiated.					
25	Abuse	583149149501	Received	2/13/20	Unsubstantiated	4/15/20
	An allegation of overtime abuse by a City employee was investigated and determined to be unsubstantiated.					
26	Safety and Sanitation	398043510801	Received	2/14/20	Unsubstantiated	5/27/20
	An allegation regarding a wastewater leak was investigated and determined to be unsubstantiated.					

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
27	Theft of Time	289092161601	Received	2/19/20	Unsubstantiated	6/24/20
	An allegation of theft of time and overtime abuse was investigated and determined to be unsubstantiated.					
28	Abuse	713267180201	Received	2/27/20	Unsubstantiated	5/27/20
	An allegation of abuse related to policy violations by family members in a City department was investigated and determined to be unsubstantiated.					
29	Abuse	280346533801	Received	3/6/20	Unsubstantiated	4/29/20
	An allegation of abuse regarding raises and promotions at a City department was investigated and determined to be unsubstantiated.					
30	Waste	463751809001	Received	3/9/20	Unsubstantiated	4/1/20
	An allegation of waste related to costs for a DJ at a City meeting was investigated and determined to be unsubstantiated since the City employee did not charge for the services and the time was approved in advance.					
31	Safety and Sanitation	598648742801	Received	3/17/20	Unsubstantiated	4/15/20
	An allegation of abuse related to a meeting with over 80 employees in close proximity contrary to social distancing protocols was investigated and determined to be unsubstantiated.					
32	Abuse	318709476901	Received	3/25/20	Unsubstantiated	4/29/20
	An allegation of a business operating in violation of City regulations was investigated and determined to be unsubstantiated.					
33	Abuse	870338190501	Received	4/7/20	Unsubstantiated	5/27/20
	An allegation of abuse of discretion regarding essential employee status determinations was investigated and determined to be unsubstantiated.					
34	Abuse	585731656401	Received	4/22/20	Unsubstantiated	5/27/20
	An allegation of personal use of a City vehicle was investigated and determined to be unsubstantiated.					

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
35	Abuse	873846915001	Received	2/14/20	No Further Action Necessary	4/1/20
	An allegation of abuse related to an unauthorized purchase lacked sufficient information to investigate. No response to our request for more information was received in over 30 days. Per our procedures, after consultation with City departments, the report was closed.					
36	Abuse	374772583501	Received	2/19/20	No Further Action Necessary	4/1/20
	An allegation of abuse of discretion regarding a City project did not contain sufficient information to permit an investigation, per consultation with City departments. As a result, the report was closed after over 30 days with no response to our request for details.					
37	Abuse	536669925301	Received	3/6/20	No Further Action Necessary	4/15/20
	An allegation of abuse related to contracted work for City employees at a City facility did not contain sufficient information to permit an investigation. No response to our request for more information was received with more than 30 days. After consultation with City departments, the report was closed per our procedures.					
38	Abuse	672198645001	Received	3/22/20	No Further Action Necessary	6/24/20
	An allegation of abuse of overtime and favoritism at a City department lacked details; none were provided in response to our request. Per our procedures, and consultation with City departments, the case was closed.					
39	Abuse	488487159101	Received	3/26/20	No Further Action Necessary	5/27/20
	An allegation of abuse related to a Code Enforcement issue was closed because the issue has already been reported to the Development Services Department.					
40	Abuse	964608052001	Received	4/14/20	No Further Action Necessary	5/27/20
	An allegation regarding poor customer service did not specify whether City employees were involved. No response to our request for additional information was received in over 30 days. Per our procedures, and consultation with City departments, the report was closed.					



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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
41	Abuse	660806359501	Received	4/27/20	No Further Action Necessary	6/24/20
	An allegation of routine personal use of a City vehicle lacked details. None were provided in response to our request in over 30 days. As a result, the case was closed based on consultation with City departments.					
42	Substance Abuse	595866575201	Received	5/7/20	No Further Action Necessary	6/24/20
	An allegation of substance abuse by unknown employees lacked details. No response to our request for more information was provided. Per our procedures, the case was closed with no further action necessary based on input from City departments.					
43	Abuse	279977847101	Received	6/22/20	No Further Action Necessary	6/24/20
	An allegation of abuse of leave did not constitute an allegation of fraud, waste or abuse. The allegation was reviewed by the Fraud Hotline Intake and Review committee and closed with no further action necessary based on the information provided.					
44	Theft of Goods/Services	606060892501	Received	1/5/19	Open/Unresolved	
	Allegation of unbilled water provided to a commercial customer.					
45	Discrimination	541919456001	Received	10/21/19	Open/Unresolved	
	Allegation of discrimination based on race at a City department.					
46	Abuse	691510573801	Received	10/21/19	Open/Unresolved	
	Allegation of unprofessional conduct by City employees.					
47	Theft of Goods/Services	785834539601	Received	12/18/19	Open/Unresolved	
	Allegation regarding the personal use of the proceeds from the sale of recycled materials.					
48	Waste	727037457701	Received	12/18/19	Open/Unresolved	
	Allegation of waste due to administrative staff using City vehicles unnecessarily.					

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
49	Discrimination	878189978401	Received	12/27/19	Open/Unresolved	
	Allegation of discrimination based on race at a City department.					
50	Theft of Time	290017245001	Received	12/31/19	Open/Unresolved	
	Allegation of City staff leaving early on holidays since 2018.					
51	Theft of Time	368860684901	Received	1/9/20	Open/Unresolved	
	Allegation of theft of time by two City employees.					
52	Employee Relations	994987377701	Received	1/9/20	Open/Unresolved	
	Allegation of unfair treatment of an employee by management.					
53	Theft of Time	366323707901	Received	1/10/20	Open/Unresolved	
	Allegation of theft of time by a City employee with improper supervisor approval.					
54	Abuse	667722170201	Received	1/26/20	Open/Unresolved	
	Allegation of discrimination based on race by a supervisor was referred to the Equal Employment Investigations Office.					
55	Waste	572110648701	Received	1/28/20	Open/Unresolved	
	Allegation of waste related to employee parking program administration.					
56	Discrimination	762248742501	Received	2/4/20	Open/Unresolved	
	Allegation of discrimination in hiring.					
57	Abuse	393120254101	Received	2/9/20	Open/Unresolved	
	Allegation of discrimination by a supervisor based on race was referred to the Equal Employment Investigations Office.					
58	Abuse	277610519401	Received	2/14/20	Open/Unresolved	
	Allegation regarding abuse of discretion related to confined space pay.					

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
59	Waste	623981492401	Received	2/18/20	Open/Unresolved	
	Allegation of waste related to a City contract.					
60	Abuse	647673513701	Received	2/18/20	Open/Unresolved	
	Allegation of abuse of discretion in hiring at a City department.					
61	Abuse	893439671601	Received	3/6/20	Open/Unresolved	
	Allegation of abuse regarding favoritism shown to an employee.					
62	Abuse	601466128601	Received	3/14/20	Open/Unresolved	
	Allegation of abuse of discretion related to a contract award.					
63	Safety and Sanitation	587629394401	Received	4/14/20	Open/Unresolved	
	Allegation of a City employee failing to don a protective mask in public after multiple requests.					
64	Abuse	526053167401	Received	4/16/20	Open/Unresolved	
	Allegation of abuse related to a supervisor requiring several employees to ride in vehicles together.					
65	Abuse	805324519901	Received	4/20/20	Open/Unresolved	
	Allegation of abuse of temporary promotion assignments.					
66	Safety and Sanitation	575321279401	Received	4/29/20	Open/Unresolved	
	Allegation of supervisors violating social distancing rules.					
67	Abuse	283262903801	Received	5/8/20	Open/Unresolved	
	Allegation of abuse related to purchases.					
68	Abuse	920240020501	Received	5/19/20	Open/Unresolved	
	Allegation of illegal trash dumping at an apartment complex.					

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
69	Abuse	553609922301	Received	5/26/20	Open/Unresolved	
	Allegation of abuse of authority by management.					
70	Abuse	358549969501	Received	6/3/20	Open/Unresolved	
	Allegation of abuse related to overtime use.					
71	Abuse	713069568601	Received	6/3/20	Open/Unresolved	
	Allegation regarding abuse related to un-permitted construction.					
72	Waste	710912629501	Received	6/9/20	Open/Unresolved	
	Allegation of waste related to security services.					
73	Waste	660076715401	Received	6/16/20	Open/Unresolved	
	Allegation of waste of resources by a City department.					
74	Abuse	761450734901	Received	6/22/20	Open/Unresolved	
	Allegation of abuse regarding a real estate transaction.					
75	Theft of Time	511887979901	Received	6/23/20	Open/Unresolved	
	Allegation that a City employee did not complete a City-required training.					
76	Safety and Sanitation	504631548701	Received	6/30/20	Open/Unresolved	
	Allegation regarding a City department failing to follow health guidelines.					

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**Not in Purview Reports Summary**

**Table 5**, below, summarizes the results of the 20 Fraud Hotline reports that were received during the fourth 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	Abuse	887901709601	Received	4/8/20	No Further Action Necessary	4/8/20
An allegation regarding a non-City employee was not in the purview of the Fraud Hotline. After a review by the Fraud Hotline Intake and Review committee and an attempt to refer the report, the case was closed with no further action.						
2	Miscellaneous	770185342201	Received	4/8/20	No Further Action Necessary	4/8/20
A report regarding disruptive neighbors was not in the purview of the Fraud Hotline. The reporter was referred to the appropriate agencies.						
3	Miscellaneous	348806959501	Received	4/14/20	No Further Action Necessary	4/15/20
An individual reporting a lost passport was referred to the SDPD to make a report.						
4	Abuse	694547602501	Received	4/16/20	No Further Action Necessary	4/20/20
An allegation regarding a non-City employee was not in the purview of the Fraud Hotline. The report was referred to the appropriate agency for review and possible investigation.						
5	Abuse	690174524801	Received	4/16/20	No Further Action Necessary	4/16/20
An allegation regarding an attorney was not in the purview of the Fraud Hotline. The Fraud Hotline reporter was referred to the appropriate agency.						

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
6	Abuse	730749259101	Received	4/20/20	No Further Action Necessary	4/21/20
	Duplicate of 310204565301.					
7	Abuse	349632366101	Received	5/8/20	No Further Action Necessary	5/8/20
	Duplicate of 283262903801.					
8	Theft of Time	789263387401	Received	5/8/20	No Further Action Necessary	5/8/20
	An allegation regarding an non-City employee was referred to the appropriate agency for review and possible investigation.					
9	Fraud	783272499501	Received	5/13/20	No Further Action Necessary	5/14/20
	An allegation of fraud involving a private company was not in the purview of the Fraud Hotline. The reporter was directed to the appropriate agency.					
10	Abuse	212923397101	Received	5/15/20	No Further Action Necessary	6/24/20
	An allegation of abuse related to personal use of a business property by a resident lacked details that would permit an investigation. No response to our request for more information was received in over 30 days. Per our procedures, the case was closed.					
11	Abuse	826404740001	Received	5/16/20	No Further Action Necessary	5/18/20
	An allegation regarding a non-City employee was referred to the appropriate agency.					
12	Fraud	713246323301	Received	5/27/20	No Further Action Necessary	6/1/20
	An allegation regarding possible identity theft was not in the purview of the Fraud Hotline; the caller was referred to the SDPD to make a report.					

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
13	Fraud	873699425001	Received	6/3/20	No Further Action Necessary	6/4/20
An allegation regarding a private business was not in the purview of the Fraud Hotline. The anonymous report did not contain contact information and the reporter did not check in for an update, so the case was closed with no further action.						
14	Miscellaneous	864210162601	Received	6/6/20	No Further Action Necessary	6/8/20
An allegation regarding non-City activities was not in the purview of the Fraud Hotline. No action is necessary.						
15	Miscellaneous	347816173101	Received	6/15/20	No Further Action Necessary	6/15/20
An allegation regarding a non-City employee was referred to the appropriate agency for review and possible investigation.						
16	Abuse	365288764301	Received	6/17/20	No Further Action Necessary	6/17/20
An allegation regarding a non-City employee was not in the purview of the City's Fraud Hotline. The Fraud Hotline reporter was referred to the appropriate agency for review and possible investigation.						
17	Fraud	453004740901	Received	6/21/20	No Further Action Necessary	6/23/20
A reporter alleging mail fraud was directed to the United States Postal Inspection Service and SDPD.						
18	Fraud	292282051001	Received	6/22/20	No Further Action Necessary	6/24/20
An allegation regarding federal and state benefits fraud was not in the purview of the Fraud Hotline. The reporter was referred to other agencies to make a report.						

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No.	Incident Type	Report #	Received	Date	Status/Outcome	Date
19	Theft of time	643761798201	Received	6/28/20	No Further Action Necessary	6/29/20
	Duplicate of 797087773001					
20	Fraud	913805768401	Received	6/28/20	No Further Action Necessary	6/29/20
	An allegation of attempted financial fraud was not in the purview of the City's Fraud Hotline. As a result, the case was closed.					

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## **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 3,592 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,



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  
          Jeff Sturak, Assistant Chief Operating Officer  
          Matthew Helm, Chief Compliance Officer  
          Andrea Tevlin, Independent Budget Analyst

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