


Long Beach Auditor Uses Hotline, Phone App To Fight Fraud

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Posted: Sunday, May 3, 2015 6:00 am | Updated: 10:35 am, Mon May 4, 2015.

By **Harry Saltzgaver**
Executive Editor

An audit that discovered problems with the way the city handled contracts for on-call board-up services is a prime example of how a fraud hotline can work, City Auditor Laura Doud said.

This call warned that there were issues with oversight of the contract. Doud's office investigated, and found not one, but four major problems. The Asset Management Bureau was tasked to oversee the work to secure unsafe or unhealthy conditions.



Doud's report said the subcontractors were not being properly vetted by the city, that rates were increased just two months after the contract was issued, and work was authorized without an executed contract. In addition, it took the city an average of 218 days to bill the property manager for the work.

Doud said last week that while the total cost of board-up services averaged less than \$100,000 a year, the lack of oversight opened the city up to potential fraud. She praised the caller for reaching out.

"This was a case where we did follow through," Doud said. "Not all audits are strictly about dollars and cents. This was a direct contact with the public and a matter of trust."

Doud didn't have the total number of audits conducted after a call to the fraud hotline, but said a report was being prepared. She said results of another audit will be released soon.

"All of our audits are posted on my website (www.cityauditorlauradoud.com)," she said. "This kind of reporting is very effective. That's why we pushed for the new app."

Earlier this month, Doud announced the launch of the myauditor application for smart phones. She said it allows users to report suspected misconduct or problems to the auditor's office immediately. If the complaint can be better handled by a different department or entity, the application can direct the reporter to the proper hotline or contact, she said.

"People can use it to report alleged fraud, abuse or waste in the city," Doud said. "It's all completely confidential, and it's open 24/7. We think it's going to be a very useful tool."

The app is available for Apple iPhones or Android Apps. The auditor's fraud hotline is 1 (888) FRAUD 07 (372-8307).

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