



PRESS RELEASE

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Long Beach City Auditor's Fraud Hotline Activity Report Highlights Investigated Cases & Corrective Actions *Long Beach City Auditor Doud Encourages Reporting of City Fraud, Waste & Abuse*

Long Beach, CA – Long Beach City Auditor Laura Doud today released a [Fraud Hotline Activity Report](#). The Report highlights the City Auditor's Fraud Hotline operations and corrective actions taken as a result of the 87 cases closed in 2017.

"I recognize that most of our City employees and vendors are hardworking and honest; however, it is crucial to acknowledge that fraud, waste and abuse against our City can and does occur," said City Auditor Laura Doud. "City fraud, waste and abuse impacts each of us. Public revenue is lost, and budgets for important City services, including public safety, street repairs, libraries and parks, are reduced. This is why my Office works to deter and detect fraud against the City of Long Beach."

The top City fraud, waste and abuse tip types as highlighted in the Report include:

1. City Payroll Fraud
2. Misuse of City Property and Information
3. Violations or Abuse of City Policy

For every tip received through the City Auditor's Fraud Hotline, the Office creates a case and conducts preliminary fact finding and thorough analysis to determine if there is sufficient basis to investigate. Of the 87 cases closed in 2017, 45% were related to City fraud, waste or abuse, had sufficient basis and were investigated by the Office, or in conjunction with a City Department. As a result of these investigations, there were 12 cases with founded allegations and subsequent control weaknesses which led to 13 corrective actions surrounding:

- Scheduling, approval and review of overtime;
- Verification of vendor invoices and work;
- Security of sensitive information;
- Business regulation; and
- Employee misconduct.

Some cases (11%) were closed if they lacked sufficient information or merit. Other closed cases fell outside of the City Auditor's Fraud Hotline purview and were referred to the appropriate City Department (32%) or external agency with jurisdiction (12%) for review.

"The value of the Fraud Hotline is that it allows vendors, business owners, citizens and particularly City employees to easily and confidentially report tips of alleged City fraud, waste or abuse at any time," City Auditor Laura Doud said. "If something doesn't look or seem right, it's probably not right. Report it."

The three ways to anonymously report tips of alleged City fraud, waste or abuse 24 hours a day, 7 days a week to the City Auditor's Fraud Hotline are shown below. Please include details when reporting your tip as this greatly helps the investigation.

- Phone: 1-888-FRAUD-07 (1-888-372-8307)
- [Online form](#) at [CityAuditorLauraDoud.com](#)
- MyAuditor App available for free at the [App Store](#) or [Google Play](#)

“This Report shows how detailed tips contribute to the success of our Fraud Hotline in creating real, positive change,” said City Auditor Laura Doud. “Together we can make Long Beach better by protecting taxpayer dollars and ensuring they are used best for the public’s benefit.”

The complete Long Beach City Auditor’s 2017 Fraud Hotline Activity Report can be viewed [here](#) and a summary chart of cases closed can be viewed [here](#).

About the Long Beach City Auditor’s Office

The Long Beach City Auditor’s Office works to advance an effective City government through independent, high quality audits, advisory services and investigations. For more information visit CityAuditorLauraDoud.com and follow the Office on [Facebook](#), Instagram [@LBCityAuditor](#) and Twitter [@LBCityAuditor](#). Sign up to receive email [notifications](#) and download the MyAuditor App at the [App Store](#) or [Google Play](#).

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