



PRESS RELEASE

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Long Beach City Auditor's Annual Fraud Hotline Activity Report Highlights Results of Investigated Cases City Auditor Doud Makes 21 Corrective Action Recommendations Related to City Fraud, Waste & Abuse

Long Beach, CA – City Auditor Laura Doud today released her annual [Fraud Hotline Activity Report](#). The Report highlights the City Auditor's Fraud Hotline operations, investigations and the 21 corrective action recommendations as a result of the 76 cases closed in 2018.

"City fraud, waste and abuse affects all of us and reduces resources for important City services, including public safety, street repairs, libraries and parks," said City Auditor Laura Doud. "This is why my Office continuously works to deter and detect fraud against the City of Long Beach."

Of the 76 cases closed in 2018, the Report highlights the top fraud tip types as:

1. Waste or Abuse of City Resources
2. City Payroll Fraud
3. City Contract or Vendor Fraud

For every tip received through the City Auditor's Fraud Hotline, the Office creates a case and conducts analysis to determine if there is sufficient basis to investigate. Of the 76 cases closed in 2018, 47% 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 9 cases with founded allegations or control weaknesses which led to 21 corrective action recommendations surrounding:

- Contract enforcement;
- Verification of vendor work and invoices;
- Efficient staffing structure;
- Collateral employment verification; and
- Policies and procedures for employee committees and onboarding volunteers.

Some cases (16%) were not actionable, because 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 (25%) or external agency with jurisdiction (12%) for review.

"The value of our Fraud Hotline is that it allows anyone to easily and confidentially report tips of alleged City fraud, waste or abuse," City Auditor Laura Doud said. "If you suspect wrongdoing against the City, please report your detailed tip."

There are 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:

- 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](#)

Studies show that tips are the most common method of fraud detection. To emphasize this and improve understanding of Fraud Hotline operations, the Office implemented an internal educational campaign which was just recognized in early April with the Excellence in Public Information and Communications (EPIC) Award by California Association of Public Information Officials (CAPIO).

“This Annual Report which is part of our Fraud Hotline educational campaign shows how tips initiate 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 2018 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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