



PRESS RELEASE

May 13, 2025

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For Immediate Release

Long Beach City Auditor Laura Doud Presents Fraud Hotline Activity Update at Ethics Commission Meeting ***City Auditor's Fraud Hotline Results in Nine Corrective Action Recommendations***

Long Beach, CA – Long Beach City Auditor Laura Doud and Assistant City Auditor Alvin Chu will present the results of the City Auditor's Fraud Hotline Annual Activity Report at the Ethics Commission Meeting on Wednesday, May 14, 2025 at 3 p.m. inside the Civic Chambers. (411 W. Ocean Blvd.). The Report highlights the City Auditor's Fraud Hotline (Fraud Hotline) operations, investigations, and the nine corrective actions taken by City of Long Beach (City) Departments as a result of the 46 cases closed in 2024.

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

Of the 46 cases closed, the Report highlights the top three fraud tip types as:

1. Violations or Abuse of City Policy
2. Misuse of City Property or Information
3. City Contract or Vendor Fraud

For every tip received through the Fraud Hotline, the Office creates a case and conducts analysis to determine if there is sufficient basis to investigate. Of the 46 cases closed, 57% were related to City fraud, waste, or abuse with sufficient basis for investigation by the Office or in conjunction with a City Department. As a result of these investigations, there were seven cases with founded allegations or control weaknesses which led to nine corrective actions taken by City Departments including:

- City employee suspension;
- City employee compliance to policy regarding use of City resources;
- City employee compliance to policy regarding use of City technological equipment;
- Update to City department material inventory tracking system;
- Update to City department processes of monitoring work order completions; and
- Security of City owned facility.

Some closed cases fell outside of the City Auditor's Fraud Hotline purview and were referred to the appropriate City Department (24%) or external agency with jurisdiction (8%) for review. Other cases (11%) were not actionable, because they lacked sufficient information or merit.

If a tip leads to issues that are more widespread, the Office may initiate a performance audit or detailed forensic review. Some of the Office's most impactful performance audits and reviews have been triggered by tips received through the Fraud Hotline – which include:

Parking Meter Coin Collection Performance Audit

- Found poor cash handling controls for collecting \$1 million in parking meter coin revenue annually and made recommendations such as implementing segregation of duties and proper cash handling training to ensure parking meter coin operations is secure.

Queen Mary Report

- Identified that \$23 million in City funds given to Urban Commons for Queen Mary urgent repairs was not spent as intended as repair work was subcontracted out with the City paying up to 40% more for repairs in some cases due to excessive markups and \$1.1 million in management fees that were not part of the agreement.

Park Maintenance Performance Audit

- Discovered a \$1 million annual shortfall for park and park tree maintenance as the City continued to expand parks without managing resources and made recommendations resulting in the Parks, Recreation and Marine Department receiving an increase up to \$710,000 annually to the aggregate amount of two landscape maintenance contracts.

Emergency Dispatcher Overtime Performance Audit

- Found 9-1-1 dispatchers were working a significant amount of overtime, up to nearly 100% of their salaries, incurring a cost of \$1.3 million and running the risk of serious dispatcher fatigue, posing an unnecessary risk to public safety and made recommendations resulting in a review of emergency dispatcher staffing levels and schedules, as well as their recruitment efforts.

The value of the Fraud Hotline is that it allows anyone including City employees, vendors, business owners, and citizens to easily and confidentially report tips of fraud, waste, or abuse against the City at any time. According to the Association of Certified Fraud Examiners, tips are important and are the most common source for detecting fraud.

“If something does not add up, sound right or feel right, it is probably not right,” said City Auditor Laura Doud. “We encourage anyone who suspects fraud to report the detailed tip to the City Auditor’s Fraud Hotline. You can think of the City Auditor’s Fraud Hotline as a speak up line that is available 24/7.”

There are three simple ways to confidentially report tips of 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

The latest annual Long Beach City Auditor’s Fraud Hotline Activity Report can be viewed [here](#) and is available in [Spanish](#), [Khmer](#), and [Tagalog](#) 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’s mission is to make Long Beach better through independent audits and fraud investigations. The Office works to provide assurance City funds are spent as intended, promote transparency and accountability of City operations, and prevent fraud, waste and abuse of City resources. For more information visit CityAuditorLauraDoud.com and connect with the Office @LBCityAuditor on [Facebook](#), [Instagram](#) and [X](#). Sign up to receive email [updates](#) and download the MyAuditor App at the [App Store](#) or [Google Play](#).

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