

# Press Reports and Audits on Governmental Waste, Fraud and Mismanagement

Compiled by the California Taxpayers' Association

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## Law Enforcement

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### Death Row Costs: Blame the Lawyers

**Dollar Amount: \$44,000,000,000**

Part of the governor's proposed \$4.4 billion program to build and improve state prisons is a plan to build a modernized Death Row at San Quentin. This prompted a "I told you so, Gray Davis," from BOE Member Bill Leonard. When he was a legislator six years ago, he introduced a bill, based on suggestions from then-Corrections Secretary Bob Presley, to close San Quentin, move death row to a prison that had room to expand, and sell the scenic bayfront property in Marin County to the highest bidder to finance prison expansion. The bill went nowhere, because the governor (Davis) allowed it to be derailed by the lawyers who represent Death Row inmates, a special section of the State Bar. According to Mr. Leonard, they all work in San Francisco and are just a ferry ride to San Quentin and their clients. His bill did not get a fair hearing, he said, because the truth could not stand the light of public scrutiny. It is that "my (and others') plan for responsible prison expansion was derailed by the lawyers who represent death row inmates." They didn't want to travel to another prison site to do their jobs. Lawyers haven't been inconvenienced but, Mr. Leonard states, taxpayers could be paying a "third of a billion dollars – triple the estimate of a few years ago!" (Source: Leonard Letter, January 2.)

**Region:** Statewide

**Jurisdiction:** Prisons

**Source:** Leonard Letter - Jan. 2, 2007

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### State Pays \$1 billion in Fines for Failing to Track Child Support

**Dollar Amount: \$1,200,000,000**

The state government has paid \$1.2 billion in federal penalties in the last 10 years because it couldn't create a statewide computer system to track child-support payments ordered by the courts. A 1988 federal law requires states to have a single automated child-support system. The San Diego Union-Tribune reported that California, "the state that gave birth to Silicon Valley and the high-tech revolution," has not complied with the law, and has been penalized accordingly. Additionally, the state abandoned a failed \$111 million computer system in 1997, and was forced to pay a court-ordered \$46 million award in 2002 to a computer firm that said it was underpaid. Officials are hoping that a new \$1.6 billion computer system will make the state compliant with federal law and will help authorities track absent parents who are skipping child-support payments. The new system also could qualify California for a penalty refund of \$180 million. Federal officials will review the system in June and August before they decide whether to certify it. In developing the new system, the Legislature sought input from the Franchise Tax Board, which has experience in developing large computer systems. The only other state that hasn't met the federal requirement for a child-support computer system is South Carolina. (Source: San Diego Union-Tribune, March 28.)

**Region:** So. California

**Jurisdiction:** State

**Source:** San Diego Union Tribune - March 28, 2007

## Prision Drug Treatment: "Complete Waste"

**Dollar Amount: \$1,000,000,000**

According to the state Office of the Inspector General, California's drug treatment program for prison inmates, costing taxpayers \$1 billion since 1989, has been "a complete waste of money." Inspector General Matt Cate said on February 21 that state prison officials failed to fix the ailing program despite 20 reports since 1997 that it was failing. Instead, they chose to expand them and spend more on studies, said the independent watchdog over prison operations. The 50-page special review concluded that the Department of Corrections and Rehabilitation has "squandered that opportunity" to "change lives and help relieve the state's prison overcrowding crisis." In fact, Mr. Cate said one study of the two largest programs found recidivism rates for those treated under the program were actually a bit higher than a group of untreated convicts. Mr. Cate said the ineffectiveness of 38 privately operated programs at 22 prisons, costing \$143 million a year, is due to poor management. Governor Arnold Schwarzenegger, in anticipation of the report's release, announced a reorganization of the division within the corrections agency that is responsible for drug treatment. He appointed Kathryn Jett, director of the Department of Alcohol and Drug Programs since 2000, to lead the reorganized corrections division. (Source: Los Angeles Times, February 22.)

**Region:** So. California

**Jurisdiction:** Prisons

**Source:** LA Times - Feb. 22, 2007

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## Suspected Misspent Pork in Now-Defunct State Agency Prompts Call For Probe

**Dollar Amount: \$425,000,000**

The Schwarzenegger Administration has asked the Department of Justice to investigate spending of as much as \$425 million in law enforcement grants administered by the Governor's Office of Criminal Justice Planning. During the five years of the Gray Davis Administration, much of the federal grant money apparently was misspent, the Department of Finance said. Sam Hull, chief auditor at DOF, said: "In my 30 years of experience, this is the worst thing I've ever seen." He led a team that spent 1,600 hours, at a cost of \$1 million, trying to reconstruct what happened at the agency, which handed out money to local governments for crime prevention and to community organizations that helped victims of rape, domestic violence and child abuse. James Tilton, budget manager for DOF, said tens of millions of dollars in federal funds could be lost because of bad bookkeeping. (Sacramento Bee and Los Angeles Times, February 3, 2005.)

**Region:** Statewide

**Jurisdiction:** State

**Source:** LA Times - Feb. 3, 2005

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## Sick Leave Soars Among Prison Guards

**Dollar Amount: \$200,000,000**

As a side effect of the 2002 contract between the state and the California Correctional Peace Officers Association, wardens have less authority to challenge whether an officer claiming sick leave is actually sick. Thus, in 2002, the first year of the new contract, overtime hours amounted to 25 percent more than the level of 2000. As officers were called in to work shifts of officers calling in sick, some 23,000 officers amassed \$200 million in overtime last year. At least 110 of the officers made more than \$100,000 last year. Top scale last year was \$54,888. Overtime, considered excessive by some, has been a long-festering issue in the Department of Corrections. The union says the solution is to hire more personnel. The latest story was in the Los Angeles Times (February 10, 2003).

**Region:** Statewide

**Jurisdiction:** Prisons

**Source:** LA Times - Feb. 10, 2003

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## Los Angeles Police

**Dollar Amount: \$125,000,000**

Conservatively, the corruption scandal in the Ramparts Division of the Los Angeles Police Department will cost taxpayers \$125 million, according to a report February 3 in The Los Angeles Times. Upon hearing the estimate from Police Chief Bernard C. Parks and city lawyers in closed session, City Council members reportedly gasped and sighed. Meanwhile, the Daily News reported that costs to taxpayers are likely to be much, much higher. Civil suits against the city seeking hundreds of millions of dollars had already been filed by at least 15 people arrested, detained or allegedly abused by police officers. The Daily News reported that the number of victims could reach 300, escalating the cost of the scandal and threatening the ability to pay for many city services for years to come. Internet Innovation. Riverside County Treasurer/Tax Collector Paul McDonnell says the county's Internet auction of tax delinquent properties was a big success. The county sold 70 of 81 tax-defaulted timeshares in the Palm Springs-Palm Desert area for \$160,000 in the aggregate. The sale, over Yahoo!, ended on February 7. The properties sold for up to four times the opening bid, which ranged from \$900 to \$1,447, though one property had a \$2,727 minimum. "During the last 10 minutes, the bids were just flying in," said Mr. McDonnell, adding that the Internet can provide an inexpensive way to sell properties that have not been in high demand in the past. Each property received an average of 25 bids.

**Region:** So. California

**Jurisdiction:** City

**Source:** LA Times - Feb. 3, 2000

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## L.A. Gang Prevention Spending: Bang for Buck?

**Dollar Amount: \$100,000,000**

L.A. Bridges, a gang-prevention program that has cost taxpayers \$100 million over the past decade, hasn't been tracking how many youths it keeps out of gangs. The city spends \$14 million a year on Bridges, and Mayor Antonio Villaraigosa wants to spend more on gang intervention programs. However, he is limiting funding of L.A. Bridges through September while its effectiveness is measured. The problem is finding a way to tell how effective it is since, unlike programs in other cities used as models by the federal government, the L.A. Bridges program lacks a system to see if clients are involved in gangs. (Source: Los Angeles Times, March 6.)

**Region:** So. California

**Jurisdiction:** City

**Source:** LA Times - March 6, 2007

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## State Prisons: Soaring Sick Leave

**Dollar Amount: \$12,500,000**

Use of sick leave and resultant overtime in the state prisons system increased dramatically in the first four months in 2002 of a new labor contract approved by the Davis administration. A 20 percent hike in sick leave will add \$12.5 million to the state budget over a full year. Overtime would be up \$58.4 million. The new contract makes it more difficult for prison wardens to clamp down on suspected abuse of sick leave. (Los Angeles Times, June 27, 2002.) The Bureau of State Audits documented excessive overtime and sick leave among prison guards in a January 26, 2000 report. The controversial contract with the correctional officers' union liberalized sick leave policies, thus exacerbating an already costly situation that the guards' union contends would be solved by merely hiring more staff. Critics of growth in the prisons budget respond that millions of dollars could be saved by contracting with the private sector to build and operate lockups.

**Region:** Statewide

**Jurisdiction:** Prisons

**Source:** LA Times - June 27, 2002

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## State Workers Live Rent-Free

**Dollar Amount: \$8,300,000**

The Bureau of State Audits has reported that millions of dollars have been lost to the state because several state agencies provided free or discounted rent for their employees to live in state dwellings. The benefits were not properly reported as income, so went untaxed, costing taxpayers even more. Auditor Elaine Howle said the state in 2003 lost about \$8.3 million in possible rent revenues as 13 agencies provided housing to employees who either stayed free or paid only a fraction of potential fair market rent. She said the state and federal government lost nearly \$3 million because employee compensation was under-reported. (Caltaxletter: 3/31/06 from Sacramento Bee, 3/27/06.)

**Region:** Statewide

**Jurisdiction:** State

**Source:** Sacramento Bee - Mar. 27, 2006

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## Corrections Spent Millions to Clean Up Watyer and Failed

**Dollar Amount: \$6,500,000**

The Department of Corrections' California Institution of Men has spent millions on a facility to clean up groundwater, but the Department of Health Services has found the water is still not clean. A compliance order was issued in 2005, and another field inspection in January found conditions the same at the \$6.5 million water treatment plant. According to Terry Thornton, spokeswoman for the Department of Corrections, a consultant has been hired and repairs needed have been identified to make the plant operational. (Source: Inland Valley Daily Bulletin of February 25.)

**Region:** Statewide

**Jurisdiction:** Prisons

**Source:** Inland Valley Daily Bulletin - Feb. 25, 2007

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## Taxpayers Pay Millions for Deputies' Excessive Force

**Dollar Amount: \$3,900,000**

Settlements of excessive-force claims against the Sacramento County Sheriff's Department totaled \$3.9 million over six years ending in 2003. Of that amount, \$1.2 million was needed to settle 23 claims against deputies in the county's main jail, according to data from the county's risk management office. (Sacramento Bee, November 3, 2005).

**Region:** C. Valley

**Jurisdiction:** County

**Source:** Sacramento Bee - Nov. 3, 2005

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## LA Pays Millions in Civil Rights Settlements

**Dollar Amount: \$3,570,000**

The Los Angeles City Council agreed to pay \$3.57 million in the settlements of six civil rights lawsuits against Los Angeles police officers, including \$720,000 to a man who had spent 11 years in prison before his release after police determined DNA evidence linked another man to the deaths of women he was convicted of killing. The rest of the settlements involved five federal suits for individuals who said they were framed by police involved in the Rampart Division corruption scandal dating back to the mid-1990s. (Caltaxletter: 10/13/06 from Los Angeles Times, 10/5/06.)

**Region:** So. California

**Jurisdiction:** City

**Source:** LA Times - Oct. 5, 2006

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## The Sheriff's New Plane

**Dollar Amount: \$2,400,000**

The Los Angeles County Sheriff's Department's purchase of a new airplane (for \$2.4 million) has been criticized by county supervisors, who say they learned of the deal after the fact, the Los Angeles Times reported (September 30). Supervisor Zev Yaroslavsky said Sheriff Lee Baca should prioritize his budget because the purchase comes at a time when the department claims it lacked funds to provide adequate medical care for jail inmates. The 10-seat turboprop plane replaces an old Cessna used by investigators to travel to remote state prisons and bring witnesses and suspects to Los Angeles. Costing \$383 an hour to operate, the plane also is used by the sheriff and other department officials to travel to the state capital. The sheriff says the plane saves the department time and money. "I think the taxpayers should consider this a good decision ..." he said. County supervisors, however, noted that the department was already \$25 million over budget and the sheriff had recently asked them for an additional \$5.5 million to provide better jail health care. (2001)

**Region:** So. California

**Jurisdiction:** City

**Source:** LA Times - Sept. 30, 2001

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## LA County Settles Jail-Related Lawsuits

**Dollar Amount: \$1,550,000**

Los Angeles County supervisors have agreed to pay \$1.55 million to settle three lawsuits involving the county jail system. One, for \$700,000, was to relatives of Gustavo Ortega, a diabetic who had been jailed for drinking in public. He had part of his right foot amputated while in jail, then was released in 2004 without medication or any means to get home. So for three days he laid on a bench in the lobby of the downtown Inmate Reception Center before deputies called paramedics. He soon died of coronary artery disease, with diabetes, renal failure and high blood pressure contributing factors. Another \$700,000 went to relatives of William Louis Wilson, who was booked in 2003 on suspicion of assault with a deadly weapon and spousal abuse. He was 62. He collapsed and died a few days later from blood clots in his lungs. The policy of thorough medical screenings for inmates 55 and older was not observed in this case. In the third case, \$150,000 went to Jamal Johnson, who accused deputies of beating and kicking him when he tried to visit a relative at the downtown jail in 2004. He wanted to tell his cousin that his mother was killed in a traffic collision. According to the Los Angeles Times, faulty care contributed to the deaths of at least 14 inmates since 1999, and, since 2000, another 14 inmates have been killed inside the jail system. Since 2004, the county has spent more than \$10 million to resolve inmates' lawsuits stemming from inmates' injuries or fatalities. The January 16 settlements came a month after the board voted to pay \$2.8 million to a child molestation suspect who was beaten in 2003 by other inmates after deputies neglected to put him in protective custody. (Source: Los Angeles Times, January 17.)

**Region:** So. California

**Jurisdiction:** Prisons

**Source:** LA Times - Jan. 17, 2007

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## Suspensions with Pay of Orange County Probation Officers Costs Big Bucks **Dollar Amount: \$1,500,000**

Orange County probation officers have been paid for 7,771 days while on suspension during the past five years, according to a Los Angeles Times (May 12, 2003) story on a county report. The cost to taxpayers was \$1.5 million for full pay and benefits for the 50 employees placed on administrative leave. According to The Times, one probation employee was charged with misleading the FBI in an investigation of corruption in the city of Santa Ana, where he sat on the City Council. Another drawing full pay was charged for printing confidential criminal records and leaking them to his attorney wife to use in preparing a case. County supervisors have asked for an explanation.

**Region:** So. California

**Jurisdiction:** County

**Source:** LA Times - May 12, 2003

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## Treasure Island

**Dollar Amount: \$1,400,000**

"What a boondoggle." That was reaction from a city bean counter in the July 26 Matier and Ross column of the San Francisco Chronicle on the demise of Police Academy II, the plan to move the academy to the old Navy base on Treasure Island. The plan was to sell the current academy site to developers (prime Diamond Heights land), and use the profit to build a new police station in Chinatown. Then relocate the academy to the old Navy station, spending about \$1 million on renovations, and then paying only \$1 a year thereafter for use of the island. However, the rent zoomed from \$1 to \$1.4 million a year because the federal government requires market value in rent of the old base. However, as Matier and Ross reported, police went ahead and owe the Treasure Island Authority \$1.2 million in back rent for a facility used for only 40 days last year. There also is \$247,000 owed for work on the Treasure Island academy that has since been halted. (2001)

**Region:** So. California

**Jurisdiction:** City

**Source:** SF Chronicle - Matier and Ross, July 26, 2001

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## Cost to Taxpayers for Oxnard Police Driving Over Beach Sunbather: \$1 Million

**Dollar Amount: \$1,000,000**

Taxpayers are out \$1 million in Oxnard, as the city settled a wrongful death lawsuit involving police officers who ran over and killed a sunbather. Cindy Conolly, of Sioux City, Iowa, was crushed while sunbathing on an Oxnard beach June 12, 2006, when police drove over her in a sport utility vehicle. She was in the area to attend her son's wedding. The total settlement is \$2.75 million, with the city paying \$1 million and the city's insurance company paying the rest. Her children, Ronnie Bassett and Tammy Krieger, said: "Our mom's death was easily preventable. My hope now is that her tragic death will forever be a reminder that anything is possible when one has no rules, policies and regulations." (Source: Ventura County Star, November 21.)

**Region:** So. California

**Jurisdiction:** City

**Source:** Ventura County Star - Nov. 21, 2007

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## Guard Bivouacs at Hotels

**Dollar Amount: \$750,000**

Despite a multibillion-dollar state budget deficit, the Davis administration apparently feels nothing is too good for the troops. The Contra Costa Times reported (March 30) that California National Guard members guarding Bay Area bridges were staying at local hotels, including the San Francisco Marriott, rather than local military barracks. The cost to taxpayers: \$750,000. Governor Gray Davis activated the Guard after September 11 to provide added security. Major Kim Oliver, justifying the hotel lodgings, said, "There is absolutely no military housing in the area." Sergeant Joseph Barker said, "Would you want to sleep on a cot for six months?" However, a spokesperson for the Presidio Trust told the Times that a 47-unit barracks there has been available since the troops were first deployed. Ron Sonneshine, a Presidio Trust spokesperson, said an offer had been made to lease the barracks for a nominal fee. "I'm sure it will be cheaper than the Marriott," he said. Lawrence Korb, former assistant defense secretary, told the paper, "The National Guard should always try to go to a military facility it's anywhere reasonable." A soldier, who asked not to be identified, said, "Being at the Marriott? Come on. I think we could find better ways to spend the money."

**Region:** Bay Area

**Jurisdiction:** State

**Source:** Contra Costa Times - Mar. 30, 2002

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## LA Hires Outside Lawyers to Fight Dogfoo Lawsuit

**Dollar Amount: \$750,000**

The Los Angeles City Council has approved a \$750,000 contract with the Jones Day law firm to defend it against a racial harassment lawsuit filed by a black firefighter whose spaghetti was laced with dogfood at a fire station three years ago. The council originally approved a \$2.7 million settlement and lifetime pension for Tennie Pierce, who was known as "Big Dog" because of his size. Other firefighters called it a firehouse prank and Mayor Antonio Villaraigosa vetoed the settlement after seeing photos showing Mr. Pierce participating in firehouse hazing. The City Council upheld the veto. The trial of the lawsuit is scheduled to begin March 19. (Source: The Associated Press, January 23.)

**Region:** So. California

**Jurisdiction:** City

**Source:** AP - Jan. 23, 2007

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## CHP Employees Claimed Overtime While Sick and on Vacation

**Dollar Amount: \$600,000**

Misuse of overtime by California Highway Patrol employees was confirmed by a CHP internal audit, the Sacramento Bee revealed January 5. Civilian workers in one division claimed overtime for days they were on vacation or claiming sick leave. Incredibly, for four workers, the combination of overtime and leave time added up to more than 24 hours in one day. When the CHP's Valley Division found an "unused" \$600,000 reserve in May, the division encouraged workers to speed up the use of overtime to spend the money prior to the end of the fiscal year. The division commander, Stan Perez, granted approval for civilian employees to use as much overtime as they wanted without making requests. (Civilians include dispatchers, truck inspectors, custodians and general office workers.) (Source: Sacramento Bee, January 5.)

**Region:** Statewide

**Jurisdiction:** State

**Source:** Sacramento Bee - Jan. 5, 2007

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## Federal Prisons Overseer Makes \$500,000, Plus Benefits

**Dollar Amount: \$500,000**

A federal judge has given the California Prison Health Care Receivership a "virtual blank check" to use state dollars to fix the prison medical system. Documents filed with the state show Robert Sillen, the court-appointed leader of the receivership, is being paid \$500,000 a year plus a 30 percent benefits package. His team includes a \$350,000 chief medical officer, a pair of \$275,000 information officers and a \$275,000 chief financial officer, and so on, down to \$200-an-hour consultants for nursing and medicine. "I'm sure Sillen thinks he works very hard, but he works for the people of California and the taxpayers now. It's called public service. Sillen is attempting to cut prison drug costs, which have spiraled out of control. He also has ordered up seven new medical facilities at an estimated cost of \$3 billion for three to five years. And why not? It's free money," wrote the Los Angeles Times' Bob Salladay. (Caltaxletter: 12/15/06 from Los Angeles Times Political Muscle, 12/6/06.)

**Region:** Statewide

**Jurisdiction:** Prisons

**Source:** LA Times Political Muscle - Bob Salladay, Dec. 6, 2006

## Medi-Cal Defrauder Goes to Jail

**Dollar Amount: \$418,000**

Emmanuel A. Udeobong, who issued false Medi-Cal and Medicare claims amounting to \$418,000 between 1999 and 2001, has been sentenced to 4 years in prison, the Franchise Tax Board announced March 26. Mr. Udeobong also understated income on state income tax returns. The jail time was imposed by Los Angeles Superior Court Judge Curtis Rappe.

**Region:** So. California

**Jurisdiction:** State

**Source:** FTB - March 26, 2007

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## County Spends \$\$\$ for Unused Computer Program

**Dollar Amount: \$400,000**

Stanislaus County has spent nearly \$400,000 for a criminal justice computer system program that law enforcement has yet to use. Sheriff Les Weidman and one of his lieutenants, Adam Christianson, said the software program, called iManage, is not compatible to department needs and has not been utilized. Intended to store images of documents, the program was purchased in 2003 as part of the Integrated Criminal Justice Information System computer system that allows law enforcement agencies to share criminal files. "We have never used iManage, never seen software for it or done any development for any possible interface for ICJIS," Lt. Christianson said. (The Modesto Bee, July 12, 2005.)

**Region:** C. Valley

**Jurisdiction:** County

**Source:** Modesto Bee - July 12, 2005

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## Endless "Vacation"

**Dollar Amount: \$150,000**

At taxpayer expense, a California prison guard has been collecting full salary for staying off the job. So far, Shayne Ziska has pocketed \$150,000 for two years and six months of administrative time off. He was suspended by the Department of Corrections while the FBI investigates whether he was connected with a prison gang. The 41-year-old guard denies such an association. He has not been formally charged with anything. Civil Service rules will not allow him to be fired unless he's convicted of a crime. State officials say they were asked by the FBI to hold off on a state probe until the federal investigation is finished. Meanwhile, Ziska is on the payroll, building up vacation days and pension benefits. The Los Angeles Times' editorial (May 30, 2003) said this outrage is an example of waste that "sends taxpayers over the edge at a time when the state faces multibillion-dollar shortfalls." How about putting him at a desk job away from convicts? the newspaper asks, noting that his absence adds to a prison staff shortage.

**Region:** Statewide

**Jurisdiction:** Prisons

**Source:** LA Times - May 30, 2003

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## SF Taxpayers Subsidizing Union Administrative Costs

**Dollar Amount: \$100,000**

Until this year, San Francisco taxpayers were picking up the \$100,000 tab for union-related work performed by the head of the San Francisco Police Officers Association. Since the 1970s, there has been an ordinance that prohibited an officer from being paid from city funds from police officer work. However, during the Willie Brown administration, an "understanding" was reached allowing the union president to stay on the city payroll while doing union work full-time. The police union endorsed Mr. Brown for mayor in 1995. However, last month, Police Commissioner Joe Veronese started making inquiries into how Gary Delagnes, the union president, was being paid. City officials asked Mr. Delagnes to go on unpaid leave. (San Francisco Chronicle, October 9, 2005.)

**Region:** Bay Area

**Jurisdiction:** City

**Source:** SF Chronicle - Oct. 9, 2005

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## L.A. Sheriff Junks Handcuffs

**Dollar Amount: \$28,500**

About 2,000 sets of handcuffs purchased with taxpayer funds are being tossed out, the Los Angeles Times reported June 10, 2003. Apparently Los Angeles County Sheriff Lee Baca believes the British-made cuffs may cause injuries. Anyone in handcuffs who struggles may be injured, he said. Hiatt and Company, which made the handcuffs, said its products have been used throughout the world without complaints. The handcuffs were purchased between 1989 and 1994 at \$14.25 each. Costs to restock will be covered by the sheriff's existing budget, the office said (although the sheriff is promoting a sales tax increase because he says his department is underfunded).

**Region:** So. California

**Jurisdiction:** County

**Source:** LA Times - June 10, 2003

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## Paid to Stay Away from Work

**Dollar Amount: \$24,156**

Assistant Santa Clara County Sheriff Ruben Dias has been paid his regular \$2,013-a-week salary for the past three months - even though he has not done a day's work, according to a report in the San Jose Mercury News. Sheriff Laurie Smith, who defeated Mr. Dias in a bitterly contested election, doesn't want him around. She put her former opponent on administrative leave, with pay, and would like to eliminate assistant sheriff positions. Mr. Dias claimed he was too ill to work for Santa Clara County, and would like to retire early with a heart condition, the newspaper reported. Meanwhile, he applied for the police chief job in Salinas. The Salinas job was given to someone else, but Santa Clara County officials, after learning Mr. Dias had applied for the job, rejected his disability claim. The newspaper reported that some county officials believe the \$2,013-a-week pay is a small price to keep the peace in the sheriff's department.

**Region:** Bay Area

**Jurisdiction:** County

**Source:** San Jose Mercury News - 1999

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## San Mateo Officers Caught in Prostitution Sting During Taxpayer-Funded Trip **Dollar Amount: \$14,000**

The first line of the story in the San Francisco Chronicle says it all: "San Mateo County spent more than \$14,000 for employees to participate in a law enforcement relay race that ended in Las Vegas, with the county's sheriff and his top deputy being swept up in a prostitution sting." The cost to taxpayers included \$6,276 for salaries of employees participating in the race, and \$5,971 in expenses for 11 county vehicles used to support runners in the 120-mile event. Sheriff Greg Munks and Undersheriff Carlos Bolanos paid, too – with their dignity. The two were detained during a police raid at a Vegas massage parlor suspected of being a brothel. Neither man was arrested, and the two crackerjack crime investigators said they thought they were at a legitimate massage parlor. The building was a private residence 2 miles off the strip, and authorities believe the women working there were sex slaves smuggled into the United States from Asian countries. Meanwhile, a county supervisor said the race was "an inappropriate use of county funds." (Cal Tax: Apparently, what happens in Vegas doesn't stay in Vegas!) (Source: San Francisco Chronicle, May 8, Redwood City Daily News, May 11.)

**Region:** Bay Area

**Jurisdiction:** County

**Source:** SF Chronicle - May 8, 2007

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## Anti-Terrorist Drill

**Dollar Amount: \$13,000**

From the San Francisco Chronicle's Matier and Ross report of May 31: The Muni donated an old bus for police anti-terrorist training at a remote area near San Francisco International Airport. The bus was riddled with bullets. A Muni whistle-blower noted that the fare box in the bus was blown away, because someone at the transit agency forgot to take it out before the shooting started. Those fare boxes cost \$13,000 new.

**Region:** Bay Area

**Jurisdiction:** City

**Source:** SF Chronicle - May 31, 2000

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## State Puts Tax Lien on Itself

**Dollar Amount: \$6,564**

The state has put a lien on the State of California Military Department (better known as the California National Guard) for unpaid employment taxes totaling \$6,564, according to a list of liens published in fine print in the Sacramento Business Journal. The listing includes the amount of the lien filed by the Employment Development Department and the National Guard's mailing address (a Sacramento post office box), but does not provide any details about the circumstances that led the state to place a lien on itself. (Source: Sacramento Business Journal, November 23.)

**Region:** Statewide

**Jurisdiction:** State

**Source:** Sacramento Business Journal - Nov. 23, 2007

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## Unspent Federal Grants

**Dollar Amount:**

Citing red tape, the Davis administration has acknowledged that it has been unable to use all of the federal funds made available since 2000 budget cycles that could pay for anti-terrorism equipment. The administration said the amount is less than the \$30 million cited by the White House in the wake of Governor Gray Davis' nationally broadcast speech critical of the Bush administration for not providing the states enough homeland security money. The story was in the San Francisco Chronicle (March 14, 2003).

**Region:** Bay Area

**Jurisdiction:** State

**Source:** SF Chronicle - Mar. 14, 2003

## Audits: Inaccurate Sheriff's Records

**Dollar Amount:**

Against the backdrop of the sheriff's budget wars with Los Angeles County supervisors, audits have shown what the Los Angeles Times (May 13) called sloppy record-keeping and contracting contributing to the sheriff's budget problems. In a May 12, 2003 article, the Los Angeles Daily News reported that, according to audits, Sheriff Lee Baca doesn't know how much it really costs to provide services to contract cities. He could be charging too much or too little. The sheriff's budget woes include up to \$143 million in reductions. The office is in the process of releasing 2,600 jail inmates to trim expenses. The county Auditor-Controller's Office released the audits, concluding that the tracking of patrol deputies' time is inaccurate and cannot be used to bill contract cities for actual services provided. "This practice will continue to result in the county either subsidizing the cities or overcharging them," auditors said.

**Region:** So. California

**Jurisdiction:** City

**Source:** LA Daily News - May 12, 2003

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## LAPD Investigating Corruption

**Dollar Amount:**

Los Angeles city and county will spend at least \$17.6 million in the next fiscal year investigating police corruption and improving the department, according to an April 27 Associated Press report. It says the figure could rise, and it does not include the \$30 million that Mayor Richard Riordan wants to set aside for potential liability from civil suits or the \$2.7 million already spent this year on the investigation, The AP reported. The county is planning to spend \$6.5 million in district attorney and public defender costs, which is about 12 percent of the \$48 million the county expects in additional revenue in the fiscal year. "We have all kinds of programs that could use the money," County CAO David Janssen told AP. "It's a draw on the money that we obviously would prefer we didn't have." At the time, 67 convictions had been overturned and about 30 officers had been fired or suspended for falsifying reports, lying under oath or planting evidence.

**Region:** So. California

**Jurisdiction:** City

**Source:** Associated Press - April 27, 2000

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## Prison Overtime Bonanza

**Dollar Amount:**

At least 110 state prison correctional workers made more than \$100,000 last year, thanks to overtime pay that budget watchdogs have criticized as excessive. Dan Morain of the Los Angeles Times (February 10, 2003) reported that the state's 23,000 correctional officers, including sergeants and lieutenants, amassed \$200 million in overtime in 2002, with hours amounting to 25 percent more than the level of 2000.

**Region:** Statewide

**Jurisdiction:** Prisons

**Source:** LA Times - Feb. 10, 2003

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## Prison Overspending Once Again

**Dollar Amount:**

In what sounds like a broken record, the state prison system is again asking for more money because it has overspent its budget. The San Jose Mercury News (May 22, 2003) reported that rising overtime costs fueled in part the Department of Corrections request for an additional \$69 million. The agency has overspent its budget in six of the past fiscal years, including \$178.6 million last year. The paper quoted Assembly Member Sarah Reyes: "The Department of Corrections is the most poorly run state agency in the state of California. They have to be willing to solve the problem, not continually come to the well for more money."

**Region:** Statewide

**Jurisdiction:** Prisons

**Source:** San Jose Mercury News - May 22, 2003

## Prison Guard Overtime Soars

**Dollar Amount:**

California's prison guards, formally called correctional peace officers, were paid \$277 million for overtime in 2005 – double the overtime pay for 2004. About 2,400 of the 22,800 guards exceeded \$100,000 in compensation, including overtime, compared with 557 in 2004. One guard grossed \$187,000, exceeding the salary of the state prisons director by \$56,000. The guards' contract with the state made it easier to achieve sick leave, which caused a huge increase, and that in turn boosted the need for guards to work overtime. Union leaders blamed a shortage of staff, and mismanagement in Sacramento. (Caltaxletter: 3/3/06 from San Diego Union-Tribune, 2/27/06.)

**Region:** Statewide

**Jurisdiction:** State

**Source:** SD Union-Tribune - Feb. 27, 2006

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## Prison Guards Pay Bonanza

**Dollar Amount:**

For fiscal 2005-06, more than 1,600 corrections officers earned more than \$113,098, the base pay for legislators, according to data from the state Controller's Office. The cause of this largesse is more generous sick leave in the five-year contract the guards negotiated with the Davis administration in 2002 and a decision to shut the prison guard academy that trains new recruits for eight months in 2004. About 6,000 guards were paid in the \$100,000 range, with overtime in the third quarter of this year up 24 percent over the prior year. A lieutenant pulled down \$252,570 in 2005-06, which topped the list. (Source: Los Angeles Times of December 23.)

**Region:** Statewide

**Jurisdiction:** Prisons

**Source:** LA Times - Dec. 23, 2006

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## SF Parking Meter Revenue Falls Below Expectations

**Dollar Amount:**

San Francisco Supervisors expressed shock and dismay upon learning that the city's parking meters are collecting millions of dollars below expectations. Budget Analyst Harvey Rose said the 23,000 meters collect between \$2.61 and \$5.59 a day, and the lowest collection rates were in the downtown core where legal parking spaces are scarce and meters cost as much as \$3 an hour. Supervisor Jake McGoldrick: "There's something seriously wrong here. We've got to get an analysis. We've got to understand what's going on here. It's beyond credulity." The Municipal Transportation Agency oversees parking meters, and spokesman Judson True listed problems that caused the city to collect just \$77.6 million over the past three years when \$83.5 million was expected. The difference probably would have been even worse but the city has invested in thousands of more efficient digital meters in recent years to replace old and broken meters. But there are lost revenues due to disabled parking placards, yellow loading zones, parking reserved for construction and motorcycles, and a shortage of parking enforcement officers. There are 93 vacant positions. (Source: San Francisco Chronicle, January 25.)

**Region:** Bay Area

**Jurisdiction:** City

**Source:** SF Chronicle - Jan. 25, 2007

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## DA Report: CHP Policies were Ignored

**Dollar Amount:**

The Sacramento County District Attorney's Office found "significant institutional failings" in California Highway Patrol injury claims but decided not to file charges. The investigation found that former Commissioner Dwight "Spike" Helmick ignored CHP policies and was able to use the workers' compensation system "as a tool" to deal with problem employees – getting them to take disability retirement – but there was not enough evidence to pursue criminal charges. The Sacramento Bee in 2004 reported widespread abuse of workers' comp and medical disability pensions in the CHP, including chiefs who claimed injuries as they neared retirement. While Albert Locher, assistant chief deputy district attorney, said cooperation from the CHP was very good, he said there were some witnesses who said they could not remember certain details. Thus, "when it comes to proving something in court, we have to play the cards we're dealt." The CHP was "riddled with opportunities for abuse and misuse" of the system, the DA report concluded. One reason was the State Compensation Insurance Fund did not oversee these claims, ceding the function to the CHP. The CHP's own policy was to disclose information when someone facing discipline files a claim for disability. This wasn't done, even though such a circumstance is a "red flag" for fraud. The current CHP commissioner, Mike Brown, who took office shortly after The Bee's investigative reporting, referred cases to the district attorney to avoid appearances of conflict of interest. He said that while he was saddened and disappointed by the DA findings, they mirror what his own internal investigation found. Further, he said in the past two years there has been a "culture change" at the CHP so that new workers' comp claims have decreased 24 percent. (Source: Sacramento Bee, January 24.)

**Region:** C. Valley

**Jurisdiction:** State

**Source:** Sacramento Bee - Jan. 24, 2007

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## Annual Cost for a Prison Inmate: \$43,287

**Dollar Amount:**

The annual cost of housing and guarding a state prison convict has increased more than 100 percent in the past decade, from \$21,000 to \$43,287. The Legislative Analyst's Office released figures showing that the cost per inmate is \$119 per day, up 33 percent since state officials in October said it was averaging \$90 per day, or \$34,000 a year. Security requires \$19,561 of the total, compared to \$9,600 a decade ago, thanks to contracts with the correctional officers' union that pushed the top-scale salary to more than \$73,000 a year – plus benefits. Inmate health care has driven up costs, more than tripling since 1997, from \$2,500 per inmate to \$9,330, much of it due to federal court orders. The state has 172,000 felons in 33 prisons, plus fire camps and other facilities. The prisons were designed for half that many inmates. (Source: Sacramento Bee, February 1.)

**Region:** C. Valley

**Jurisdiction:** Prisons

**Source:** Sacramento Bee - Feb. 1, 2007

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## San Joaquin County Coroner Costs Up Fourfold

**Dollar Amount:**

Costs to run the San Joaquin County Coroner's Office in February are four times higher than in January, from \$400 per autopsy in January to \$1,500 per autopsy in February. In July the cost will further escalate to \$2,090 per autopsy. According to county officials, these hikes will cost taxpayers an extra \$900,000 a year. What is causing the cost increase? A new deal with a medical group for pathology services that was approved by county supervisors in January. Delta Pathology Associates was the sole bidder on the contract. They had been providing the same service under a different name, Forensic Consultants Medical Group. In addition to the skyrocketing costs for autopsies, the cost of medical exams is going from \$100 to \$800. (Source: Stockton Record of February 7.)

**Region:** C. Valley

**Jurisdiction:** County

**Source:** Stockton Record - Feb. 7, 2007

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## Real Attorney General Not Entitled to "Private Attorney General"

**Dollar Amount:**

California's elected attorney general cannot be awarded fees under the state's "private attorney general" doctrine when suing on behalf of the general public, the Third District Court of Appeal ruled March 19. The court overturned a trial court judge's order that Tehama County pay more than \$173,000 in fees for a 2001 lawsuit in which then Attorney General Bill Lockyer, suing on behalf of the public, obtained an injunction requiring the county to comply with the Subdivision Map Act. "The Attorney General needs no encouragement to pursue litigation that is in the general interest of the state's population because, put simply, that is his or her job," Justice Ronald Robie wrote. (Source: Metropolitan News-Enterprise, March 20.)

**Region:** So. California

**Jurisdiction:** County

**Source:** Metropolitan News-Enterprise - March 20, 2007

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## CHP Officer's Disability Pension Under Review After Tapes Show Him Lifting Wrestlers

**Dollar Amount:**

Stuart Elliott retired from the California Highway Patrol at the age of 38, receiving a medical pension an injured right shoulder. Two years later, he was serving as a convoy commander and gunner in Iraq, as part of the California National Guard. When he returned from the war, he was videotaped lifting members of a wrestling team that he coached. The California Public Employees' Retirement System investigated and determined that Mr. Elliott was no longer disabled, and tried to force him to return to the CHP. But John Hill of The Sacramento Bee reports that there is a catch: "When Elliott left the CHP, he agreed in a disciplinary case before the State Personnel Board not to seek reinstatement to his old job. So even though Elliott is no longer disabled, according to an administrative law judge opinion this month, he can't go back to work for the CHP." State retirement law is unclear about whether CalPERS can cut off Mr. Elliott's disability pension of roughly \$32,000 a year, or whether the payments must continue because the disability retirement was tied to his departure agreement. The law states that CalPERS can cancel a disability pension if the worker is able to perform the job and the employer offers the old job back, but in this case, the CHP is making no such offer. The CalPERS board is expected to consider the matter in June. The Bee story cites Cal-Tax as a "taxpayer advocacy group" and quotes Director of Communications David Kline: "It goes without saying that disability benefits should be given only to retirees who are actually disabled. ... Any time there's an abuse of the system, it weakens the retirement fund for all other officers, including those who truly are disabled. And it's also a disturbing breach of faith with the taxpayers, whose money funds the entire system." (Source: The Sacramento Bee, May 22.)

**Region:** Statewide

**Jurisdiction:** State

**Source:** Sacramento Bee - May 22, 2007

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## Nevada County Undersheriff: Retired or Not?

**Dollar Amount:**

Former Nevada County Undersheriff John Trauner has retired. So who is working as Nevada County Undersheriff? John Trauner. In addition to his \$8,000-a-month retirement check, Mr. Trauner is getting about \$8,700 a month to continue working as Nevada County Undersheriff. Mr. Trauner said he wanted to retire in his early 50s to have "a life of retirement." According to the Grass Valley Union, working on your job after retirement and collecting two paychecks is common in Nevada County. (Source: Grass Valley Union, March 23.)

**Region:** C. Valley

**Jurisdiction:** County

**Source:** Grass Valley Union - March 23, 2007

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## CHP Fitness Bonus: Taxpayer rip-off?

**Dollar Amount:**

California Highway Patrol officers receive \$130-a-month fitness bonuses -- \$1,560 per year – even though the department in 1995 discontinued annual physical fitness tests that used to qualify officers for the bonuses. The Sacramento Bee (February 11) reported that the bonuses are paid to active-duty officers as long as they have passed one such test anytime in their careers. The Bee quoted CHP spokesperson George Hartwell as saying the change resulted from too many workers' compensation claims for injuries suffered by officers playing sports during off-duty hours, such as football, basketball and racquetball. They said the sports injuries were work-related because officers competed in athletics to stay in shape so they could pass annual fitness tests. When the CHP discontinued the tests, the officers' union demanded that the monthly fitness bonuses be maintained.

**Region:** Statewide

**Jurisdiction:** State

**Source:** Sacramento Bee - Feb. 11, 2002

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## New Death Chamber Goes Over Budget, Gets Put on Hold

**Dollar Amount:**

The California Department of Corrections and Rehabilitation had been quietly building a new death chamber at San Quentin, with the project slated to cost \$399,000 – just under the \$400,000 limit that requires financial review by the Legislature. Lawmakers found out about the construction and were not happy that they had been kept out of the loop, and now the governor has pulled the plug on the construction as it has gone far over budget. The cost has reached \$775,000, almost twice the original estimate. The plan will go through the standard legislative budget approval, prison officials now say. The new death chamber was planned after a judge criticized the lighting and other conditions of the current chamber used for lethal injections, saying the conditions could lead to the death penalty being found unconstitutional in California. Assemblyman John Laird, who chairs the Assembly Budget Committee, called the death chamber construction "a first-class fiasco." (Source: Los Angeles Times, April 21.)

**Region:** Bay Area

**Jurisdiction:** Prisons

**Source:** LA Times - April 21, 2007

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## Recall Launched Against Sheriff Found in Suspected Brothel

**Dollar Amount:**

A recall effort has been initiated to strip San Mateo County Sheriff Greg Munks of his job after he was found in a suspected illegal brothel in Las Vegas. While on a taxpayer-funded trip to participate in a relay race, he and his undersheriff ventured to a private residence a few miles off the Strip. The house was raided April 21, and authorities said it was full of ecstasy, cash and young women thought to be sex slaves smuggled in from foreign countries. The two super-sleuths said they thought they were in a legitimate massage business, which Sheriff Munks said he sought out to ease soreness caused by running. Mr. Munks was inside the residence when the raid occurred, while his second-in-command was outside. Neither was arrested or charged with any crime, but San Carlos resident Michael Stogner isn't buying their story, and is gathering signatures to recall the sheriff, who was elected in November. Mr. Stogner said he is going to wait about a month before filing anything, in order to give Mr. Munks a chance to "do the honorable thing and resign" from his \$188,500-a-year job. If he continues his effort, Mr. Stogner will have 160 days to collect the signatures of roughly 35,200 county voters in order to put the recall on the ballot. The Vegas incident also is being reviewed by the county controller, who says the originally stated cost of \$14,000 in tax dollars may have been low. The controller said time cards from the Sheriff's Department were not available when that figure was calculated, so the total hit on taxpayers is likely to increase. (Sources: San Jose Mercury News, May 13; San Francisco Examiner, April 25.)

**Region:** Bay Area

**Jurisdiction:** City

**Source:** SF Examiner - April 25, 2007

## Sacramento Firefighters Use Dubious Diplomas to Jack Up Pay

**Dollar Amount:**

Sixteen Sacramento city firefighters padded their paychecks by obtaining degrees purchased online from diploma mills. The Sacramento Bee reported October 7. The firefighters were given 5 percent education incentive raises. The city later rescinded the raises after discovering that the diplomas were awarded for such things as "life experience," but decided against trying to recoup \$50,000 in improper payouts that already had occurred. City officials told the newspaper that the firefighters' union threatened to challenge the city in an arbitration hearing if the city insisted on disciplining the officers or getting them to repay the money. Part of the problem is that the firefighters' agreement with the city says pay raises will be awarded when diplomas are received from "accredited" schools, but there is no standard to differentiate between legitimate schools and online entities accredited by organizations that are part of the diploma mill group. Many of the degrees were from Madison University, which awards degrees "without the normal course work or classroom work required with higher education." Others came from Rochville University, which promises each buyer a degree "on the basis of what you already know," and Alameda University, which states it grants degrees based on "life experiences." In an October 11 editorial, The Bee chided the city for not trying to recoup the funds the city has been cheated out of, saying the lack of an aggressive response "sends a dispiriting message to those firefighters who worked hard to earn real degrees at reputable institutions of higher learning – and to taxpayers who have been fleeced by the phony diploma scam." The newspaper noted that the Fair Oaks Water District, near Sacramento, took a much tougher approach when faced with a nearly identical situation: "It has sued two of its senior managers who allegedly used \$1,200 in district funds to buy diplomas from a fly-by-night online institution, and then used those diplomas to collect thousands of dollars in pay raises and bonuses. The case is set to go to trial in January. The two men named in the suit are no longer working for the water district." (Source: The Sacramento Bee, October 7 and October 11.) (Cal-Tax: We would be very surprised if this is not occurring at other government agencies that offer educational or foreign language incentives.)

**Region:** C. Valley

**Jurisdiction:** City

**Source:** Sacramento Bee - Oct. 7, 2007

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## Sacramento Police Chief Retires After Two Big Raises, Gets \$1,000-a-Month Pension Boost **Dollar Amount:**

Sacramento Police Chief Albert Najera, who received an 8.6 percent pay raise in July, followed by an additional 11.2 percent pay hike just two months later, has announced his retirement. The back-to-back pay raises set his compensation at \$216,000 a year, despite a city pay range saying the maximum salary for the job is \$194,772. Mayor Heather Fargo and City Manager Ray Kerridge said they have known for months that Najera planned to retire. He said October 30 that he will leave at the end of the year, and added that he may run for Sacramento County sheriff if the incumbent does not seek re-election. The raises could add more than \$1,000 a month to Mr. Najera's pension, bringing his retirement pay to \$173,250 a year. However, the pension first must be approved by officials with the California Public Employees' Retirement System who have the ability to reduce pensions if they determine that "spiking" has occurred. CalPERS will examine Mr. Najera's case after he officially files his retirement paperwork, a representative said. Mr. Kerridge said the police chief's pay was allowed to exceed the maximum pay level because the long-time public safety officer "is the best police chief I've ever worked with." (Cal-Tax: Less than a week after the police chief's pension increase was revealed by The Sacramento Bee, City Manager Kerridge was back in the news to announce that the city faces a deficit that could grow to \$55 million in the next fiscal year, and that a hiring freeze will be put in place to save money.) (Sources: The Sacramento Bee, October 29 and November 1.)

**Region:** C. Valley

**Jurisdiction:** City

**Source:** Sacramento Bee - Oct. 29, 2007

## **Inspector General: Blunders Led to San Quentin Release of a Dangerous Convict Who Stabbed Girl**

**Dollar Amount:**

Blunders at every staff level led to the release of a high-security inmate from San Quentin who proceeded to stab a 15-year-old girl, according to a report from the inspector general who oversees the department. According to the San Francisco Chronicle, "Scott Thomas, 26, a career criminal who was designated 'high control' because he had battered a guard at another prison, was paroled from San Quentin on the evening of Friday, May 18. The next day, he repeatedly stabbed teenager Loren Schaller in a neighborhood bakery in San Francisco and also stabbed a 60-year-old man who came to her rescue." Mr. Thomas was released to the Alameda County sheriff's office because the office told the prison it had a warrant for Steven Thomas, but used Scott Thomas' identification number. Scott Thomas was returned to prison when the error was discovered. Next, San Quentin wrongly determined that Scott Thomas was eligible for parole, and released him. According to the report, Scott Thomas wasn't to be released for another week, and the person who released him failed to notice he was in "high control" status. High-control inmates must not be released on Friday, and must be released to a parole agent. Also, the Los Angeles parole agent failed to contact the prison 30 days prior to the inmate's release with a plan for his parole. As for Loren Schaller, she had a 9½-hour surgery in early October and hopes to get some muscle movement in her right arm by late January. She said, "People say to me, 'At least the guy is locked away forever,' and I say, 'Well, who knows?' Mistakes were made before. I don't know if he's locked away forever. He was accidentally released before. Who's to say he won't be accidentally released again?" (Source: San Francisco Chronicle, November 1.)

**Region:** Bay Area

**Jurisdiction:** Prisons

**Source:** SF Chronicle - Nov. 1, 2007

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## **Are Ice Cream Vendors Almost as Dangerous Sex Offenders?**

**Dollar Amount:**

Jessica's Law, approved by California voters last November, prohibits sex offenders from living within 2,000 feet of a school. In a variation of that law, the city of Fresno has an ordinance prohibiting ice cream vendors from coming closer than 1,000 feet from a school. After hearing concerns from vendors, the Fresno City Council on October 30 voted 5-2 to ask the city attorney to draft a proposed change to limit vendors to no closer than 150 feet from schools. Ice cream vendor Rajinder Kaur, who arrived in the United States from India two years ago, has received three tickets totaling \$1,500 because she drove her ice cream truck near schools in North Fresno. She grosses about \$1,000 a week in sales, but expenses for gas and the ice cream she sells total around \$600. Two council members, Larry Westerlund and Brian Calhoun, voted against the request. Mr. Westerlund said he had received complaints from the principal at Wolters Elementary School about an ice cream truck parked near the school. (Source: Fresno Bee, October 31.)

**Region:** C. Valley

**Jurisdiction:** City

**Source:** Fresno Bee - Oct. 31, 2007

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## **LAPD Doesn't Properly Track Spending, Audit Finds**

**Dollar Amount:**

The Los Angeles Police Department needs to tighten up its financial practices, according to an audit by City Controller Laura Chick. The Los Angeles Times reported that Ms. Chick found that "LAPD does not possess the technology, staff or procedures to properly track such things as false-alarm fees and purchasing, and that policies on timekeeping, travel expenses and other areas vary from one field division to another." Accounting practices that are "stuck in the 1950s" hinder the \$1.1 billion department's ability to track overtime, she said, and internal auditors do not have the independence needed to address the many problems. The Times noted that "Chick's audit arrives at a time when the city has raised trash fees to pay for an additional 1,000 new officers over five years." A separate audit released the next day revealed that LAPD's anti-gang officers failed to adequately document arrests and reports in 20 percent of the cases sampled by an internal auditor. The Los Angeles Daily News reported that this report was released as the department and an officers' union are battling over a requirement that officers disclose information about their personal finances – a plan designed to weed out corrupt cops. (Sources: Los Angeles Times and Los Angeles Daily News, both March 20.)

**Region:** So. California

**Jurisdiction:** City

**Source:** LA Daily News - March 20, 2007

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