

MOTION

A number of troubling allegations have been made in recent months regarding instances of waste, fraud and abuse in various City departments and agencies. These occurrences have highlighted a structural gap that exists in the oversight processes for these entities.

The City Controller serves as an aggressive "watchdog" of City departments and entities through management and financial audits that have uncovered a myriad of systemic and episodic problems. However, this office is not expressly assigned responsibility or resources for investigating specific allegations of waste, fraud and abuse. To remedy this shortcoming, especially in light of recent allegations, the City of Los Angeles should create a new Waste, Fraud and Abuse Investigation Unit within the Controller's Office with the necessary staffing and resources.

Current City procedures require these allegations to be referred to the management of the responsible department. Unfortunately, these internal investigations create an inherent conflict of interest and lack specialized personnel. An independent, specialized team of investigators, with relevant training and experience, would be able to conduct far more comprehensive inquiries into these claims.

To be truly meaningful, the Waste, Fraud and Abuse Investigation Unit must be endowed with the necessary authority, including the ability to issue subpoenas, compel testimony and administer oaths. By establishing this unit within the Controller's Office, its staff will have access to these legal tools by utilizing the authority granted to the Controller in Section 217 of the City Charter. When coupled with the necessary resources, this office will provide a powerful means of rooting out wrongdoing and deterring future instances.

The City of Los Angeles must take decisive action to combat waste, fraud and abuse within its departments and agencies. The establishment of a Waste, Fraud and Abuse Investigation Unit would be a monumental step in the right direction. With the creation of an office to investigate mismanagement or wrongdoing, the City Council can ensure that it better fulfills its duty to oversee the executive branch and the residents of Los Angeles can begin to rebuild and renew their trust in government.

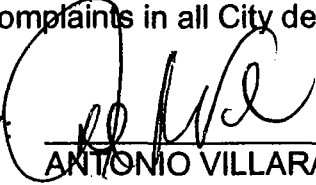
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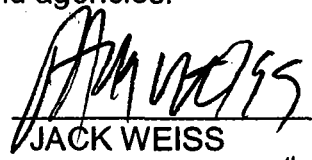
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I THEREFORE MOVE that the City Controller be requested to report to the Audits and Governmental Efficiency Committee within 30 days relative to the creation of a Waste, Fraud and Abuse Investigation Unit to investigate allegations and complaints in all City departments and agencies.

PRESENTED BY:



ANTONIO VILLARAIGOSA
Councilmember, 14th District



JACK WEISS
Councilmember, 5th District

SECONDED BY:



WENDY GREUEL
Councilmember, 2nd District

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