

To: Traci Park, City Councilwoman

From: Westchester/Playa Neighborhood Council

Re: Theft of homeless assistance funding in Los Angeles

Councilwoman Park,

The Westchester/Playa Neighborhood Council would like to put an end to the misappropriation of funds dedicated to reducing homelessness or similarly causes in Los Angeles. Let's face it, individuals/organizations have stolen public funds and elected officials have shown little motivation in attempting to investigate these thefts and, more importantly, prevent such losses of funds in the future.

**Background:**

There is no need to argue about the misappropriation of billions of taxpayer funds. Federal judge, David Carter has tried to investigate as to where these funds went, however it is clear that the individuals have covered their tracks well. Los Angeles Homeless Services Authority (LAHSA) and city officials have nearly zero financial oversight and accountability for these missing homeless funds.

**Recovery of funds:**

With the City of Los Angeles budget crisis, this is a good opportunity to try and recover these funds. Although, most likely a long shot, we should attempt some forensic accounting by an independent auditor to determine where funds went to and recover them. It is clear that much of the funds did not go to their intended purpose of assisting those unfortunate. Perhaps an amnesty account can be set up for individuals/organizations can return these funds, no questions asked.

**Future Prevention:**

This practice of stealing public funds by anyone cannot continue. At the very least we need identify the method of this theft and get the best understanding of how funds were moved from one account to another. There we propose to:

- 1) Create a transparent system to effectively monitor public funds
- 2) Identify where funds are transferred to and how they are be used.
- 3) Require organizations to have contact persons that are held accountable for funds they receive.
- 4) Identify the city officials who have permission to transfer funds.
- 5) Have the funding process set up so the public can monitor it in real time.

Thank you.

Paula Gerez, President