



City of Placentia

Press Release

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Contact: Jeannette Ortega
City of Placentia
(714) 993-8264
jortega@placentia.org

CITY INITIATED INVESTIGATION LEADS TO OC DISTRICT ATTORNEY'S ARREST OF CITY EMPLOYEE

Following a City initiated request, the Orange County District Attorney's Office commenced an investigation regarding potential City employee misconduct. This resulted in the arrest of Michael Nguyen, an employee of the City of Placentia's Finance Department, for his alleged role in the embezzlement and misappropriation of \$4.3 million in public funds from the City. \$1.5 million of this amount has already been recovered. Additional funds have also been identified for potential recovery. The City has been working closely with the District Attorney's Office to bring criminal charges and seek recovery of all misappropriated funds.

"This alleged embezzlement and theft of public funds is an affront to the people of Placentia and to our hard-working employees. It is of grave concern to learn that a City employee would exploit his position and knowledge of our internal controls for personal gain. The City of Placentia will not tolerate any misconduct by any city employee to ensure the highest level of standards are being followed. The City immediately suspended the employee and he has since been terminated. To ensure transparency and an independent investigation, the City immediately contacted the District Attorney after learning of the potential misconduct. We have and will continue to fully cooperate with the Orange County District Attorney's Office to not only prosecute to the fullest extent of the law but also recover all costs associated with this misappropriation. This will include pursuing all criminal and civil remedies." said City Administrator Damien R. Arrula.

The City will continue to work closely with the District Attorney's Office to address this misuse of taxpayer money. To maintain the public's trust and integrity, the City has already strengthened its internal financial controls. The City has asked the District Attorney's Office to provide us with a Forensic Accountant to assist with evaluating the loss and recovery of funds. Additionally, the City is in the process of hiring a forensic auditor to conduct its own comprehensive review of the City's internal controls. We will also work with the City Council, the City's Financial Audit Oversight Committee and residents to enact additional measures to protect the City.

"This goes completely against the values of our City and the positive strides we have made during the last year." Placentia Mayor Jeremy Yamaguchi said. "Any misuse of our taxpayers' funds is

adverse to the values and commitment that we strive for as a City. We immediately brought this to the attention of the District Attorney's Office and have been continually working with our Police Department, the District Attorney's Public Integrity Team and other entities to ensure all the funds in question are recovered. We have taken immediate and decisive actions on this matter, and will continue to remain steadfast in our endeavors to provide the highest standards of public trust for our community".

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