

## Fraud Report

**Fraud #:** F-24-339

**Submission Date:** 10/16/2024

**Entity:** Mabton, City of

## Dashboard

**Short Description:** gas card misappropriation

**Investigation Status:** Closed

**Assigned Team:** Yakima

**Assigned PM:**

**PR Request ID's:**

**Public Records Request:** No

**Assignment Notes:**

**Detection Method:** Entity Management

**Entity:** 0839

**Total Budget:** 23

**Team Budget:** 16

**Audit Number:** 66908

**Audit Documentation:** TM File

**TM Project Code:**

**Ok to release/bill time:** No

**Primary Loss Type:** Purchase Card

**Loss Type Notes or Sub Category:**

**Cyber Loss Category:** --

**Cyber Cause:** --

**This case contains sensitive information:** No

**Which tab or attachment contains sensitive information?**

**Results:** Accountability finding

**Closed Date:** 05/21/2025

**Inactivate:** No

**Inactive Notes:**

## Contact

**Created By:**

**Name:** Rachel Ruelas

**Title:** Mayor

**Phone:** 509-894-4068

**Email:** rachel.ruelas@co.yakima.wa.us

## Assignment Notes:

## Paw and Plan

**Loss Notification Date:** 10/16/2024

**PAW Assignment Date:** 10/17/2024

**Initial Contact with Entity Date:** 10/17/2024

**Assessment Completion Date:** 10/22/2024

**Reviewing Team:** Yakima

**Team Review Date:** 10/25/2024

**Fraud Team Review Date:** 11/04/2024

**Please describe, if we did not meet 5 and 10 day requirements:**

**Action/Next Step:** Review external investigation by City and LE and assess assignability.

## Outcome

**Exit conference date:** 05/15/2025

**Exit conference attendees:** Treasurer, Clerk, Mayor, two council members

**Misappropriation assigned amount:** 93

**Name and title of responsible party:** Jose Daniel Alvarez-Sanchez, City employee

**Misappropriation unassigned amount:**

**Questionable amount:**

**Misappropriation recovery amount:**

**Loss Amount:**

**Cyber recovery Amount:**

**Final audit cost:**

**Audit report number:**

**Audit report issue date:**

**Other case # s reported with this one:**

## Restitution

**SAO Approval Date:**

**SAO Approval Initials:**

**AG Approval Date:**

**SAO Approval Initials:**

**Amount Approved:**

**Point of Contact:**

Contacted PA Date:

Post audit PA/LE/FBI contact notes:

## Activity Log

Date	Entry
10/17/2024	'Short Description' field updated, 'Investigation Status' field updated from 'Pre-Triage' to 'Assessment/PAW', 'Detection Method' field updated from '--' to 'Entity Management' by sullivan
10/17/2024	PAW Notification Sent
10/17/2024	'PAW Assignment Date' field updated from '' to '10/17/2024' by sullivan
10/17/2024	'Total Budget' field updated from '' to '0', 'Team Budget' field updated from '' to '0', 'Audit Number' field updated from '' to '66908' by tim950
10/17/2024	'Total Budget' field updated from '0.0000' to '6', 'Team Budget' field updated from '0.0000' to '4' by tim950
10/30/2024	Al/Mary said we received a PRR on this engagement. They will respond that we anticipate we'll complete the case within 6 months. If the case goes longer, we can let Al/Mary know so they follow back up with the requester. (pritchab)
11/04/2024	'Initial Contact with Entity Date' field updated from '' to '10/17/2024', 'Assessment Completion Date' field updated from '' to '10/22/2024', 'Team Review Date' field updated from '' to '10/25/2024', 'Fraud Team Review Date' field updated from '' to '11/4/2024', 'Action/Next Step:' field updated by sullivan
11/04/2024	See attached PAW. Next steps, review external investigation by City and LE and assess assignability. (sullivan)
11/04/2024	'Investigation Status' field updated from 'Assessment/PAW' to 'Waiting on External Review', 'Audit Documentation' field updated from '--' to 'TM File' by sullivan
11/04/2024	Attachment added
11/20/2024	Status update: Team received the police reports last week, but appears sparse. Team is going to draft up a budget to be able to complete external report review. (lycana)
12/05/2024	Approved external review budget of 23hrs which includes time already charged and 5hrs for SI. (sullivan)
12/05/2024	'Investigation Status' field updated from 'Waiting on External Review' to 'Fieldwork' by sullivan
01/15/2025	Status update: Team has submitted HD to SI for the fuel and payroll portions. (lycana)
01/29/2025	SI reviewed TM file. LOR= exit recommendation (sullivan)
01/29/2025	'Investigation Status' field updated from 'Fieldwork' to 'Reporting', 'Total Budget' field updated from '6.0000' to '23', 'Team Budget' field updated from '4.0000' to '16' by sullivan
02/25/2025	Status update: Team has addressed Team SI's comments and it's back to SI for review. Discussed some thoughts around potential reporting. (lycana)
03/24/2025	Status update: Team is working on drafting the exit recommendation and then will notify SI. (lycana)
05/15/2025	Attachment added
05/15/2025	Finding shared with entity on 4/30/2025. Exit on 5/15/2025. (justin950)

05/21/2025	'Investigation Status' field updated from 'Reporting' to 'Closed', 'Closed Date' field updated from '' to '5/21/2025', 'Results' field updated from '--' to 'Accountability finding', 'Exit conference date' field updated from '' to '5/15/2025', 'Exit conference attendees' field updated from '' to 'Treasurer, Clerk, Mayor, two council members', 'Misappropriation assigned amount' field updated from '' to '93', 'Name and title of responsible party' field updated from '' to 'Jose Daniel Alvarez-Sanchez, City employee' by lycana
05/21/2025	Closed case in database. Issue was included as part of accountability audit finding to City (2023-002). (lycana)

## Initial Loss Report

**Department/area of concern:** City Hall

**What is the suspected loss or illegal activity?** 0

**Start:** 07/25/2024

**End:** 07/25/2024

**What type of issue are you reporting?** Purchase Card

**What type of cyber concern are you reporting?** --

**What was the cause of initial attack vector for the cyber loss?** --

**Please describe the type of issue:**

**Please describe the amount of loss:** Do not have the amount of fuel charges on the gas card- Wheelers gas card

**Please describe the suspected loss of illegal activity:** SUBMITTED DESCRIPTION: Sgt Fierro stated that Jose Sanchez( Current employee) was the reporting party around the date of 7-23-2024, he had noticed the Wheeler gas card was missing, so him and other city works employees began searching for the card. On 7-25-2024 he had reported the card missing and was advised that there had been fuel charges on the card made. Jose went to wheelers, and they showed him security footage and then he called it in.

**How was the suspected loss or activity detected?** Jose went to wheelers and they showed him security footage and then he called it in. Note: apparently the gas card was in a city vehicle parked at the Old City Hall facility parking lot locked gate area. The suspect's name is Jose Daniel Alvarez-Sanchez (DOB 5-30-1997) This is an ex-employee with the City of Mabton hired date 2/13/2023 and last date of employment 8/17/2023. Also, ex-husband of Yuliana Morales (Deputy City Clerk on Administrative Leave).

**Is an investigation in progress?** No

**If an investigation by management, law enforcement or others underway, who is in charge of this investigation?**

**What actions have you taken to date, if any?** Officer Sullivan #B503 do not believe there was ever any probable cause established to charge Daniel with any crime. Sheriff case #24C11721 and Mabton Police Dept case #24B0442

**Are there any dedications of employee involvment?** No

**Name and/or title of employee that have been involved in (responsible for) the loss.**

**Is this person still employed by the agency?** No

**Describe the employee's job responsibilities and areas or functions the employee has/had access to:**

**Have any restitution agreements been signed?** No

**Has a police report been filed?** Yes

**Do you have a copy?** No

**Who at the entity is aware this concern is being reported?** Jose Sanchez Public Works Lead, Alexis Alvarado Public Works, Cristian Gonzalez Public Works and Lorenzo Rivera, Public Works.