

Jackie Lacey
District Attorney
<http://da.lacounty.gov>



NEWS RELEASE

Media Contact:

Greg Risling, Assistant Chief
Media Relations Division
213-257-2000
GRisling@da.lacounty.gov
Twitter: @LADAOoffice

CORRECTION: Corrects name of agency to The East San Gabriel Valley Human Services Consortium.

April 26, 2018

Trio Charged With Embezzling Government Funds

The former chief executive officer and two managers of an employment placement agency have been charged with fraudulently overbilling Los Angeles County for placing clients into jobs with two local hospitals where they already were working, the Los Angeles County District Attorney's Office announced today.

Salvador Velasquez (dob 7/29/38), Jorge Hernandez (dob 4/23/61) and Benjamin Brus (dob 12/11/76) were each charged in case BA467363 with one count each of misappropriation of public funds, embezzlement, grand theft and altering or falsifying a public document.

Velasquez also faces three counts each of misappropriation of public funds, embezzlement, grand theft and conflict of interest. All three defendants are scheduled to be arraigned this afternoon in Department 30 of the Foltz Criminal Justice Center.

Deputy District Attorney Marian Thompson of the Public Integrity Division is prosecuting the case.

The three defendants worked for the now-defunct East San Gabriel Valley Human Services Consortium, also known as LA Works. The agency used government funding to help people who were struggling to find work between 2009 and 2014.

The defendants are accused of improperly billing Los Angeles County more than \$1 million by directing their staff to falsify public records to make it appear that they provided services to more than 180 people seeking work. In reality, none of the participants in two nursing residency programs were unemployed when they were LA Works clients, prosecutors said.

By allegedly falsifying documents, the agency was able to meet performance measures required in a government contract. Velasquez, the firm's former CEO, also is accused of developing an incentive

program that provided annual bonuses to himself and others, including his co-defendants, which was tied to meeting county performance measures.

He also allegedly convinced LA Works board members to retain him as a consultant after he retired in 2003 and he continued to receive benefits including performance incentives and health insurance.

Bail is recommended at \$675,000 for Velasquez and \$425,000 for Hernandez and Brus. If convicted as charged, Velasquez faces a possible maximum sentence of 14 years in prison, while Hernandez and Brus each face up to 10 years in prison.

The case remains under investigation by the District Attorney's Bureau of Investigation, the U.S. Department of Labor, Office of Inspector General (OIG), and the Los Angeles County Auditor-Controller, Office of County Investigations.

[About the Los Angeles County District Attorney's Office](#)

Los Angeles County District Attorney Jackie Lacey leads the largest local prosecutorial office in the nation. Her staff of nearly 1,000 attorneys, 300 investigators and 800 support staff members is dedicated to protecting our community through the fair and ethical pursuit of justice and the safeguarding of crime victims' rights.