



**County of San Diego, Health and Human Services
Agency Compliance Office**

**Special Review
Harm Reduction Coalition of San Diego**

Prepared by: Christy Carlson

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PURSUANT TO ATTORNEY CLIENT PRIVILEGE
COMMUNICATION



HHS A BAC Special Review
Harm Reduction Coalition of San Diego

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BACKGROUND

On June 5, 2025, the County of San Diego (COSD) was contacted by Amy Knox/Amy Ketchum (AK) filing a formal complaint with the Office of Ethics and Compliance (OEC) against Harm Reduction Coalition of San Diego (HRCSD). Allegations raised by AK included non-detailed references to unethical business practices, hostile work environment, and retaliation. AK also stated that she worked for HRCSD as a subcontractor, working in the Chief Operation Officer position, to County contracts 571990 and 567186, and that she had not been compensated for the month of May 2025.

At the same time, AK contacted the contract owner representative (COR) directly and provided the same information. AK informed the COR that her last day of work for HRCSD was May 20, 2025, and that she no longer had access to any of the HRCSD documentation that was needed for continued submission of HRCSD invoices to the County. The COR and management team for Behavioral Health Services (BHS) contacted Business Assurance and Compliance (BAC) to seek guidance as they had concerns that AK had previously been the sole individual at HRCSD who was able to provide responsive information regarding organization operations as well as documentation related to invoice submissions to the County.

On June 23, 2025, COSD was informed by another subcontractor to HRCSD, A New Path, that they had not received compensation from HRCSD for the months of February or March 2025.

Of note, COSD had previously conducted a review of HRCSD related to contract 567186 in January 2023 related to improper storage of County supplied medication, lack of appropriate organizational structure, and lack of appropriate internal controls. While the issues raised in 2023 were found to be substantiated, BHS determined that the contract objectives at the time, that of distribution of and education related to Naloxone, outweighed the risks associated with the small, grassroots organization, and worked with HRCSD to address identified deficiencies. BHS awarded contract 571990 to HRCSD on August 23, 2024.

OBJECTIVE

BAC conducted a review into the complaints by AK and A New Path and expanded to a full review of both contracts COSD held with HRCSD. The objective of the review was to determine for the complaints identified whether or not BHS policy and procedure, COSD, and/or HHS A policies were properly followed and whether invoices submitted by HRCSD to COSD were valid, accurate and supported.

SCOPE

[insert scope and/or scope limit]. During our review, opportunities for strengthening of program policies or procedures were identified and are included as recommendations at the conclusion of this report.

METHODOLOGY

In order to meet the objectives of this review, BAC staff performed the following:

- a. Interviewed AK and collected documentation provided by AK
- b. Conducted an un-announced visit at HRCSD offices and spoke with the following HRCSD staff:
 - i. Tara Stamos-Buesig (TSB)
 - ii. Mateo Chavez (MC)
 - iii. Emma Lotz (EL)
 - iv. Ann Moreno (AM)

HSA BAC Special Review
Harm Reduction Coalition of San Diego

CONFIDENTIAL ATTORNEY CLIENT PRIVILEGE COMMUNICATION

- c. Reviewed all documentation to support invoices submitted to COSD for reimbursement
- d. Reviewed documentation related to HRCSD General Ledger and banking statements
- e. Interviewed TSB related to issues identified during review

RESULTS

Allegation 1: Evidence Found of Misuse of County Property

During our review, information was provided to BAC indicating that a vehicle purchased through contract 567186 which was to be used for Naloxone distribution, outreach, and education, was taken on a trip unrelated to the County contract across the border to Mexico. Due to the risk that the County identified with continuing the HRCSD contracts, the County retrieved two vehicles from HRCSD associated with contract 567186 and one vehicle associated with contract 571990 on June 17, 2025. While inspecting the vehicles, a certificate of vehicle insurance issued in Mexico was found and was determined to be issued against one of the COSD vehicles.

BAC interviewed TSB on July 10, 2025. During that interview, TSB was asked whether any of the COSD vehicles were used for any purpose other than to support contract 567186 or 571990. TSB initially answered in the negative, however upon presentation of the insurance coverage paperwork, TSB acknowledged that she drove the vehicle in to Mexico. When asked if she had obtained permission from COSD to use the vehicle for purposes outside of contract purposes, TSB stated that she had not.

CONCLUSION: Based upon the information obtained which included a certificate of vehicle insurance issued in Mexico for a vehicle which was procured under COSD contract 567186, we concluded that the allegation of misuse of COSD property was **substantiated**.

Allegation 2: Evidence Found of Inadequate Controls for Management of County Property and Potential Misuse of County Property

During our review, information was provided to BAC that TSB regularly took Naloxone across the border to Mexico for distribution. Information provided indicated that TSB would take Naloxone across the border either in a COSD vehicle or her own personal vehicle. This information was supported by numerous articles and media postings, including media postings on TSB's personal Facebook page, in which TSB was identified as the 'Naloxone fairy godmother', stating that she regularly 'smuggled' Naloxone across the border into Mexico.

During un-announced site visits, the BAC team requested to view the room in which Naloxone inventory was stored and view documentation of inventory reports showing both inbound and outbound transactions.

Although TSB stated that she regularly received Naloxone from entities other than COSD, no evidence of any actual inventory supplies, nor any documentation on inventory logs, supported that statement. The only inventory seen, and the only inventory logs found, were related to COSD supplies. Furthermore, the outbound inventory logs were vague and not adequate to make a determination of whether Naloxone provided by COSD was solely utilized for County of San Diego services, or whether the supplies may have been taken to Mexico. When BAC inquired with TSB on whether she ever took any COSD inventory to Mexico, she indicated that she did not, however, she was unable to provide information related to where she obtained that inventory other than stating that many people provided supplies but wanted to remain anonymous.

HSA BAC Special Review
Harm Reduction Coalition of San Diego

CONFIDENTIAL ATTORNEY CLIENT PRIVILEGE COMMUNICATION

In discussion with BHS COR, the distribution of Naloxone was deemed to be a vital support for the community, and low barriers for documentation showing distribution locations were knowingly and purposefully set. However, COSD policy requires that CORs ensure that contractors have adequate controls to ensure that statement of work elements can be validated.

CONCLUSION: Based upon the information obtained, including a physical review of Naloxone inventory, inventory logs, and media publications, we concluded that the allegation of inadequate internal controls over COSD inventory is **substantiated** and the allegation related to improper distribution in Mexico is **inconclusive**.

Allegation 3: Evidence Found of Improper Possession of Government Property and Misuse of Government License Plates

During the preliminary phase of our review, information was provided in the form of pictures that appeared to have been sent in a text message on January 21, 2024 from MC to AK. This picture showed CA Exempt license plates on one of the COSD vehicles associated with contract 567186. BAC provided the license plate information to District Attorney Mark Kelley who provided that the license plate belonged to a motor home registered to the UC Regents.

On June 17, 2025, when collecting inventory from HRCSD related to contracts 567186 and 571990, three vehicles were retrieved as noted in Finding #1 above. While inspecting the vehicles to ensure only COSD property was being collected, the license plates shown in the picture were found in the front door side holder.

During the July 10, 2025 interview of TSB, she was asked about the license plates. TSB stated that the license plates did indeed belong on a UCSD vehicle, and she stated that she had no knowledge of why they were inside one of the COSD vans. When further asked, TSB stated that the motor home that the plates belonged to had been given to her by Richard Garfein from UCSD. She then stated that the motor home had been stored at a storage yard, and she had last seen it in March or April of 2025. Upon further questioning, TSB stated that the motor home had been parked in the yard of her residence at 1389 Windmill Rd, El Cajon, CA 92019. She further stated that she had knowledge that two individuals, Billy and Kristin, had been living in the vehicle, and that she did not know where they had taken it.

On October 3, 2025, BAC was able to obtain information from Jaegan Ayoub (JA), Operations Manager, Fleet Services, at UCSD. JA confirmed that the license plates belonged to a vehicle owned by UCSD fleet. JA stated that after multiple attempts to bring the vehicle in for inspection, he was notified that the vehicle was reported stolen on July 15, 2025, five days after our interview with TSB.

While we did obtain pictures of a County vehicle having the UCSD license plates installed, we were unable to obtain evidence that the vehicle was driven to any location with the license plates installed, therefore we are unable to determine if the license plates were misused.

CONCLUSION: Based upon the information obtained, including the physical possession of license plates belonging to UCSD and statements made by the fleet manager at UCSD, we conclude that the allegation of improper possession of government property is **substantiated** and the allegation related to improper use of Government license plates is **inconclusive**.

HHS A BAC Special Review
Harm Reduction Coalition of San Diego

CONFIDENTIAL ATTORNEY CLIENT PRIVILEGE COMMUNICATION

Allegation 4: Conflict of Interest Related to Naloxone Dispensing Machines

TSB provided information to BAC staff indicating that AK inappropriately entered into a contract with SMRT1 Health Solutions (SMRT1) for a lease of four interactive dispensing systems (IDS). Our review confirmed that four machines were leased from SMRT1 in November 2023. Our review further confirmed that the BHS COR discussed and approved the leases with SMRT1 prior to the execution of the lease between HRCSD and SMRT1. Publicly available information indicates that AK joined SMRT1 in June of 2025 (LinkedIn and ZoomInfo), however, we did not contact SMRT1 to confirm that information as part of our review as the only direct evidence to confirm such relationship would be personal financial records of AK, or organizational financial records of SMRT1, which the County does not have the authority to obtain.

AK contacted COSD subsequent to her ending her employment with HRCSD and was transparent that she was working with SMRT1 effective June 2025 and sought to establish a relationship directly between SMRT1 and COSD for the four vending machines that had been leased by HRCSD. COSD declined to take over the lease, and instead made arrangements for SMRT1 to retrieve the vending machines from the facilities that they were located in effective August 2025.

CONCLUSION: Based upon the information obtained, we conclude that the allegation of conflict of interest related to the Naloxone dispensing machines from SMRT1 is **inconclusive**.

Allegation 5: HRCSD Drug Use, Improper Storing of Drug Samples, and Inadequate Reporting of Serious Incidents

AK provided information to COSD that indicated TSB did not require a drug-free work environment, as required by the contracts between COSD and HRCSD. Furthermore, AK provided information that one of the HRCSD staff members took one of the drug samples that was obtained under contract 571990 and subsequently suffered an overdose while in the HRCSD offices in October 2024. The individual was revived, however, HRCSD did not notify COSD of the serious incident until January 2025, and information related to the individual obtaining the drug from the samples obtained under contract was not included on the incident report.

We were unable to confirm the details of this allegation as the individual who overdosed no longer worked at HRCSD at the time of our review. MC corroborated AK's version of the incident, however due to the known familial relationship between MC and AK, we did not draw any determination based upon that corroboration.

At the time of our site visits, there were no drug samples in storage, and as such we were unable to test for adequacy.

CONCLUSION: Based upon the information obtained, we conclude that the allegation of HRCSD drug use and improper storing of drug samples is **inconclusive**, and inadequate reporting of serious incidents is **substantiated**.

HHS A BAC Special Review
Harm Reduction Coalition of San Diego

CONFIDENTIAL ATTORNEY CLIENT PRIVILEGE COMMUNICATION

Allegation 5: Lack of Segregation of Duties and Poor Financial Controls

During our review, both AK and TSB made allegations of improper personal expenses on the HRCSD bank account. AK provided BAC with copies of bank statements, as well as copies of the QuickBooks general ledger for HRCSD.

BAC reviewed the bank statements, QuickBooks ledgers, as well as the invoices submitted to COSD for contracts 567186 and 571990.

Contract 567186 was a fixed rate contract and BAC verified that all invoices submitted met the schedule of payments detailed within the contract terms. While BAC noted several instances where documentation of deliverables, such as logs of training activities and logs of inventory transactions were not of adequate detail to fully validate, BAC also noted, as described above, that the threshold for documentation was set low by BHS in order to ensure saturation of the community with Naloxone without real or perceived barriers due to documentation requirements.

Contract 571990 was awarded as cost reimbursement with invoices received from HRCSD for the months of August 2024 thru March 2025. As of the date of this report, no invoices have been received for any work performed on this contract for the months of April, May or June of 2025. BAC reviewed the invoices received for contract 571990, along with the supporting documentation consisting of receipts for goods purchased, timecards for staff hours, and tracking spreadsheets for drug samples tested. BAC determined that invoices were supported by adequate documentation for goods purchased and for staff time, however, in the same manner as above for the Naloxone distribution, spreadsheets to support drug tracking were inadequate to fully validate – again noting that the threshold was set low to encourage community participation in the program and remove barriers due to real or perceived concerns related to individuals providing identifiable information.

While reviewing bank statements and QuickBooks ledgers, BAC did note that there were numerous charges that appeared to be personal. We also noted that the bank statements included deposits from entities other than COSD. Our review did NOT find any instances where personal charges appeared to have flowed to invoices submitted to the County either directly or through indirect charges. However, it was concerning and notable that the lack of internal controls at HRCSD allowed for personal and business expenses to be co-mingled, including apparent personal loans from AK to the HRCSD bank account. Additionally, we noted lack of segregation of duties, including AK having responsibility for executing her own subcontract. This raises concerns related to HRCSD status as a California non-profit agency.

Furthermore, when interviewing TSB, she indicated that she had never read the actual contracts between HRCSD and COSD until July 2025 when COSD informed her of the suspension, and subsequent cancellation.

CONCLUSION: Based upon the information obtained, we conclude that the allegation both lack of segregation of duties and poor financial controls is **substantiated**, however our review did not find evidence of unsubstantiated items included on HRCSD invoicing. *Based upon our review, we are determining steps to take to make a referral to the Franchise Tax Board for potential lack of adherence to California nonprofit requirements.*

HHS A BAC Special Review
Harm Reduction Coalition of San Diego

CONFIDENTIAL ATTORNEY CLIENT PRIVILEGE COMMUNICATION

OPPORTUNITIES FOR IMPROVEMENT

During our review, BAC noted several items which should be noted as opportunities for improving internal controls within COSD operations.

Opportunity 1: Financial Due Diligence for Goods and Equipment

During our review, we noted several items for which the goods and equipment purchased by HRCSD appear to be excessive and not a prudent use of funds. However, we also noted that COSD staff approved these expenses. For example, HRCSD purchased Mercedes Benz vans. Our research shows that Mercedes vans retail for approximately \$80,000 versus Ford Sprinter vans which retail for approximately \$60,000. Additionally, the lease of SMRT1 vending machines cost \$30,000 per year, while the purchase of a standard IDS vending machine cost \$8,000 total. Current processes for due diligence prior to authorization of expenditures should be reviewed to ensure funds are being handled with care.

Opportunity 2: Improved Contract Monitoring and Documentation Requirements

As detailed in the above allegations, documentation that was provided by HRCSD was often insufficient to obtain validation of services being provided. While acknowledging the desire to ensure a low threshold and encourage community participation in the program(s), COSD processes and statements of work should be mindfully crafted to develop a method for tracking deliverables to allow for accurate validation. Alternatively, statements of work should be written in a manner that provides for compensation upon completion of tasks that do not require individual level data – regardless of identifying information – to avoid the opportunity for inadequate documentation. For example, rather than providing ‘sign-in’ sheets for training, in which documents were submitted all in a singular penmanship, the statement of work might require attestation of training with documentation of time, place, and total number of attendees.

Furthermore, several of the items of concern, for example the real or perceived conflict of interest related to AK in her role as Chief Operation Officer, as a subcontractor, responsible for overseeing her own contract, should have been identified by COR as an internal control of HRCSD that required improvement. And finally, reports that subcontractors were not being compensated timely, and in fact several subcontractors are still unpaid for services provided under the contract illustrate the importance of contractor accounts payables related to County contracts requiring regular monitoring, especially for smaller contractors.