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NEWS RELEASE

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Pair Plea in Overbilling Fraud Case

Two former managers of a government employment placement agency have pleaded guilty for their roles in a fraudulent overbilling scheme to place clients into jobs with two local hospitals where they already were working, the Los Angeles County District Attorney's Office announced today.

Jorge Hernandez (dob 4/23/61) and Benjamin Brus (dob 12/11/76) each pleaded guilty yesterday to one count of grand theft.

Under the terms of the plea agreement, both defendants are expected to be sentenced on July 14 to formal probation for three years and serve 100 hours of community service at a homeless shelter. Hernandez will pay restitution of \$17,738 to Los Angeles County, while Brus will pay \$4,800.

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

The two defendants worked for the now-defunct East San Gabriel Valley Human Resources Commission, also known as LA Works, along with former chief executive officer Salvador Velasquez (dob 7/29/38). The agency used government funding to help people who were struggling to find work between 2009 and 2014.

Hernandez and Brus directed their employees and others to back-date public records to make it appear that new nurse graduates enrolled by LA Works into government-funded, on-the-job training programs at two local hospitals were unemployed at the time of their placements. In reality, none of them were unemployed when they were LA Works clients, and had already been hired by the hospitals, the prosecutor said.

The agency was able to meet performance measures required in a contract with Los Angeles County by allegedly falsifying documents.

Among other charges, Velasquez also is accused of allegedly convincing LA Works board members to rehire him as an employee after he retired in 2003 under an agreement that allowed him to continue to

receive benefits including performance incentives and health insurance which was a violation of state law for retired annuitants under CalPERS.

Velasquez faces more than a dozen counts, including embezzlement, misappropriation of public funds and grand theft. He is scheduled to return to court April 1 for a preliminary hearing.

If convicted as charged, Velasquez faces a possible maximum sentence of 13 years and eight months in prison.

Case BA467363 was investigated 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.