

City and County of San Francisco

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*****PRESS RELEASE*****

**HUMAN RESOURCES DIRECTOR, CONTROLLER, AND CITY ATTORNEY
IMPLEMENT REFORMS FOLLOWING CRIMINAL CHARGES AGAINST STANLEY
ELLICOTT**

New charges filed by the District Attorney allege former City employee Stanley Ellicott carried out a scheme to steal over \$600,000 of City funds

SAN FRANCISCO, CA — San Francisco Department of Human Resources (DHR) Director Carol Isen, Controller Greg Wagner, and City Attorney David Chiu announced new controls today that have been put in place to prevent fraud and abuse of City payment systems. The announcement comes after District Attorney Brooke Jenkins filed additional criminal charges against former DHR employee Stanley Ellicott.

Ellicott was initially charged in 2024 for his role in the misuse of grant funds related to the City's Community Challenge Grant Program, along with former Community Challenge Grant Program Director Lanita Henriquez and former City contractor Dwayne Jones. The charges filed today allege Ellicott separately devised an elaborate scheme in which he illegally paid himself over \$600,000 of City funds.

As a result of reviews undertaken over the past several weeks, DHR — in coordination with the Controller's Office and City Attorney's Office — has already assessed, identified, and implemented mitigating controls for the DHR's claims enterprise system, used to process worker's compensation-related payments. Ellicott, in his role as a senior manager in the Worker's Compensation Division Finance team, had high-level access to this subsystem for processing worker's compensation claims, which is how he exploited the system to siphon off \$627,118 of worker's compensation funds into a fake entity he created named Independent Auditors Group (IAG). The payment subsystem Ellicott manipulated operates outside of the central financial and procurement system owned by the Controller's Office, in part because it contains protected health information of City employees. Following the charges in January 2024, joint actions have been taken to eliminate internal control gaps that allowed for the alleged fraud and abuse to occur in the departmental subsystem.

"I am disgusted and angered by the actions taken by Mr. Ellicott," said Human Resources Director, Carol Isen. "He took advantage of his colleagues and the public to benefit himself. There is no excuse or place for this type of behavior in City government and anyone who participates in this type of misconduct should be held accountable — morally and in a court of

law. DHR, with the support of the City Attorney and Controller, continues to explore and implement all corrective options available to us to ensure that this does not happen again.”

“The abuse Mr. Ellicott is charged with is reprehensible, not least because he was in a position of authority,” **said Controller Greg Wagner**. “The quick, coordinated efforts of DHR, the City Attorney’s Office, and the Controller’s Office have been effective — the City has already implemented new safeguards to close the payment controls loophole that allowed this to happen.”

“Mr. Ellicott created a sophisticated scheme to enrich himself and betray the public trust,” **said City Attorney Chiu**. “I am deeply offended by Mr. Ellicott’s alleged criminal conduct. But, I am proud of the swift action the City took to ensure this does not happen again. Collectively, we will make sure Mr. Ellicott pays back the funds he stole.”

DHR worked with the City Attorney on administrative proceedings leading to the termination of Ellicott’s City employment and is cooperating fully with the District Attorney’s investigation.

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