

Fraud, Waste and Abuse Hotline

Annual Report for the Year Ended
12/31/2020



Executive Summary

- The Fraud, Waste and Abuse Hotline received 76 complaints in 2020 of which 43 were actionable (i.e., not non-City, service requests, dropped calls, etc.)
- Actionable complaints were comparable between 2019 and 2020
- Non-actionable complaints decreased significantly from 2019 to 2020
- Substantiated cases increased from 14 in 2019 to 22 in 2020
- Internal Audit is working with DER to increase awareness of the Hotline through new employee orientation
- People wanting to make a complaint can visit <https://city.milwaukee.gov/Comptroller/fraudhotline>

Background

- The Fraud, Waste and Abuse Hotline is regulated by Ch. 300-247
- “Fraud” means any intentional act or omission for personal gain designed to deprive the city of its resources or assets to which the individual or person is not entitled.
- “Waste” means the careless expenditure of city funds or resources above and beyond the level that is reasonably required to meet the needs of the city, or the consumption or use of city resources that is not authorized.
- “Abuse” means the improper use of city resources in a manner contrary to law, city policy or work rules, or the improper use of one’s position for private gain or advantage for himself or herself or any other person.

Number of Complaints

Method of Contact	2019		2020	
	Number of Contacts	Percent of Total	Number of Contacts	Percent of Total
Phone	93	69%	49	64%
Email	20	15%	8	11%
Online – Web Page	18	13%	19	25%
Mail – USPS	1	1%	0	0%
In Person	1	1%	0	0%
Fax	1	1%	0	0%
TOTAL	134	100%	76	100%

Complaints decreased from 134 in 2019 to 76 in 2020, but the decrease was driven by a reduction in non-City complaints, service requests, and other non-actionable complaints.

Phone continued to be the most popular method for contacting the fraud hotline with the web page increasing in usage.

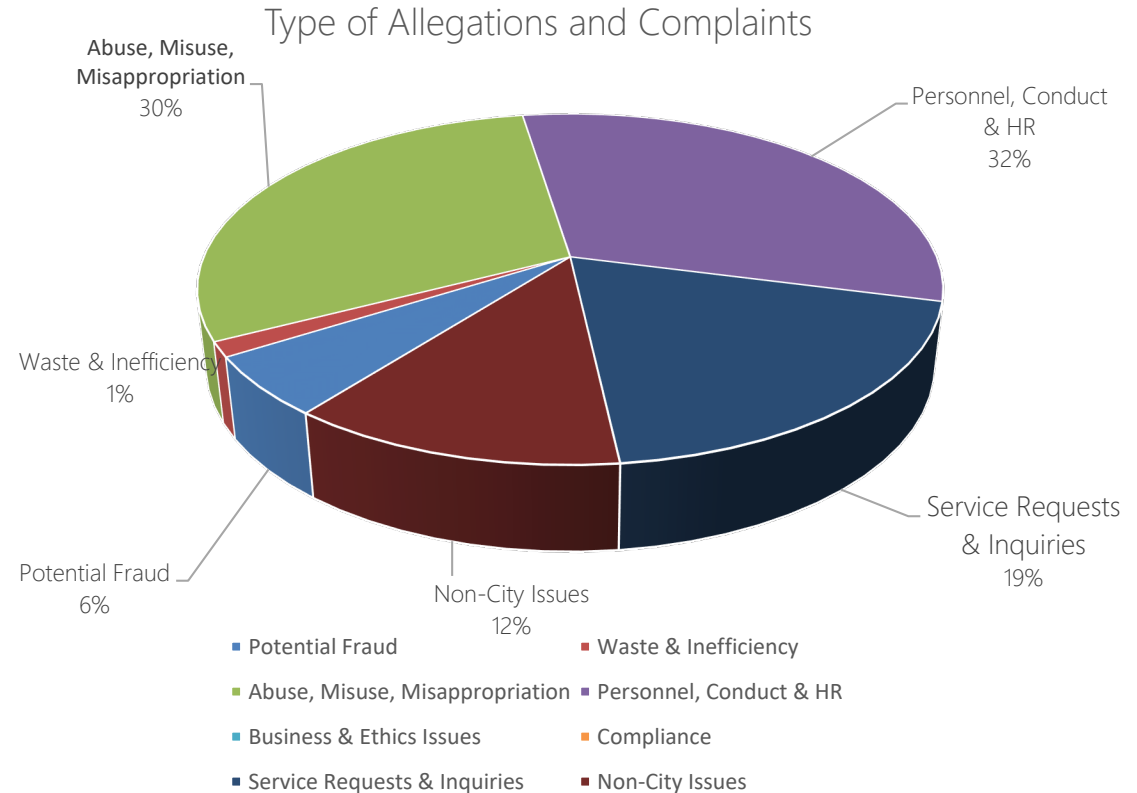
Complaint Type

“Personnel, Conduct & HR” and “Abuse, Misuse, Misappropriation” comprised 62% of complaints.

“Non-City Issues” and “Service Requests & Inquiries” declined from 50% in 2019 to 31% in 2020.

“Personnel, Conduct & HR” are allegations involving employee conduct related to City and departmental policies (e.g., unsafe driving using City truck).

“Abuse, Misuse, Misappropriation” are allegations of improper use or misappropriation of City resources (e.g., using a City car for personal use).



Actions Taken

Actions Taken	2019		2020	
	Number of Complaints	Percent of Total	Number of Complaints	Percent of Total
Department Referral	43	88%	33	77%
Investigated & Department Referral	1	2%	2	4%
Internal Audit Investigated	5	10%	8	19%
TOTAL	49	100%	43	100%

- Most actionable complaints result in department referrals.
- The number of cases investigated by Internal Audit increased slightly in 2020.

Outcomes

- Substantiated cases increased significantly from 14 in 2019 to 22 in 2020.
- For substantiated cases, Internal Audit provided action plans for Internal Audit investigated cases and departments created action plans for department referral cases.

Final Allegation Status	2019		2020	
	Number of Actionable Reports	Percent of Total	Number of Actionable Reports	Percent of Total
Substantiated	14	29%	22	51%
Unsubstantiated	35	71%	11	26%
Open case – pending	0	0%	10	23%
TOTAL	49	100%	43	100%

Thank You

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<https://city.milwaukee.gov/Comptroller/fraudhotline>

