

BuffaloNews.com

Auditors criticize county welfare fraud unit data

‘Records are terrible,’ comptroller says

By Matthew Spina

Published: March 24, 2011, 12:00 AM

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Updated: March 24, 2011, 7:00 AM

Erie County auditors say they found abysmal record-keeping in the government unit that goes after welfare cheats.

“Their records are terrible. That’s the best way to put it,” Comptroller Mark C. Poloncarz said Wednesday as he described the county’s Special Investigations Division, a 68-employee office within the mammoth Department of Social Services.

The auditors said the division relies primarily on sheets of paper to record how much money each of several thousand welfare recipients must pay back, after investigators determined they collected too much or they should not have received government help in the first place.

While the amount due from each individual also can be found in a state-provided database, the unit cannot run reports that would provide big-picture information, such as the total amount owed to the county, which clients owe the most, or those who are, say, six months late on their payments. Such data could help the employees focus their efforts, the auditors said.

Further, the unit could not say how much uncollectable debt it has written off, even though the state’s Office of Temporary Disability Assistance requires counties to keep such figures, Poloncarz said.

“Throughout the course of our audit,” he said, “we requested basic reports and other documentation and were met with the same response — ‘we don’t have that information,’ ” Poloncarz said of the division.

“SID is in charge of investigating and recovering from welfare recipients the fraudulent expenditure of county tax dollars. Unfortunately, they can’t even identify how much money they’ve already recovered or how much money can be potentially

collected,” he said.

The unit late in 2010 implemented a new computerized system, but its data does not include past cases, and Poloncarz said he is not impressed with its capability.

The Department of Social Services has reported that it recovered a total of \$45 million in overpayments during 2008 and 2009, but the auditors said they could not determine whether that’s an accurate total.

Aides to County Executive Chris Collins, the elected official ultimately responsible for the Social Services Department, did not contest the findings. But they defended the county’s employees and took a swipe at Poloncarz.

“The Department of Social Services is continually trying to improve its practices as the leadership and staff of the department work hard every day to provide vital safety net programs in the third-poorest city in the United States,” Grant Loomis, a Collins spokesman, said.

“I would hope the comptroller would take some of his own advice as to internal controls and record-keeping. If that were to happen, maybe he wouldn’t pay bills that weren’t owed and borrow money the county doesn’t need,” Loomis continued.

Those were references to past disputes. In 2009, the Comptroller’s Office paid a \$1 million bill related to Erie County Medical Center that the Collins team contends need not have been paid. Also, the Collins team says that on two occasions Poloncarz borrowed several million dollars more than the government required for its annual bridge loan, costing taxpayers extra money in the long run.

Friction has been constant between Collins and Poloncarz, a Democrat looming as the county executive’s likely re-election challenger later this year.

The Special Investigations Division examines claims by applicants seeking help under assorted public assistance programs to determine whether they qualify and continue to qualify.

Investigators also refer cases of fraud to the District Attorney’s Office. However, auditors also found that the division does not track well the status of matters referred to prosecutors.

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Comments

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What a racket....do the civil service employees do the jobs for which they were hired? Does Collins even care about the Dept of Social Services? How does Collins spend his days "at work"? Does he not have a handle on anything?It would make you sick to know how wealthy many SS recipients are with their "under-the-table earnings." I see it every day across the street from my house, and hear the bragging all over the neighborhood.

LYDIA BEZOUHOJNACKI, BUFFALO, NY on Sun Mar 27, 2011 at 02:23 PM

FLAG AS INAPPROPRIATE

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