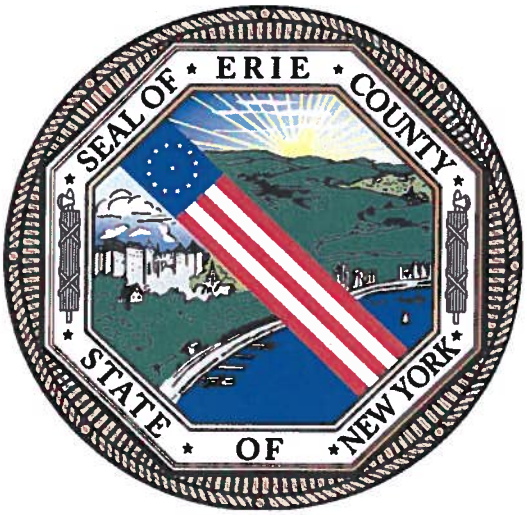
ECLEG APR11 '14 PM 1:44

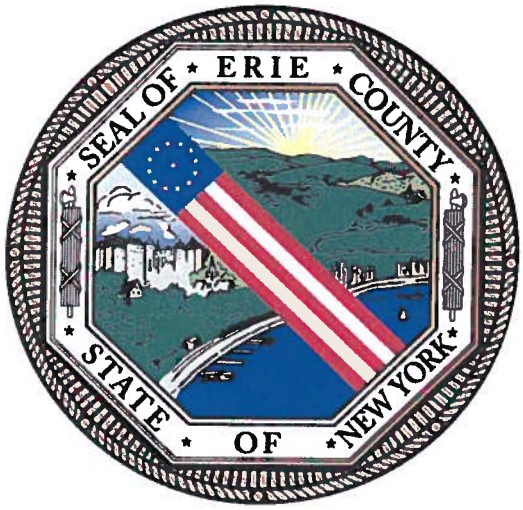
April 2014

WHISTLEBLOWER HOTLINE SUMMARY
FOR THE PERIOD
JULY 1, 2013 THROUGH DECEMBER 31, 2013



HON. STEFAN I. MYCHAJLIW
Erie County Comptroller
95 Franklin Street
Room 1100
Buffalo, NY 14202-3971

HON. STEFAN I. MYCHAJLIW
Erie County Comptroller's Office
Division of Audit and Control



April 11, 2014

Honorable Members
Erie County Legislature
92 Franklin Street 4th Floor
Buffalo, New York 14202

Dear Honorable Members:

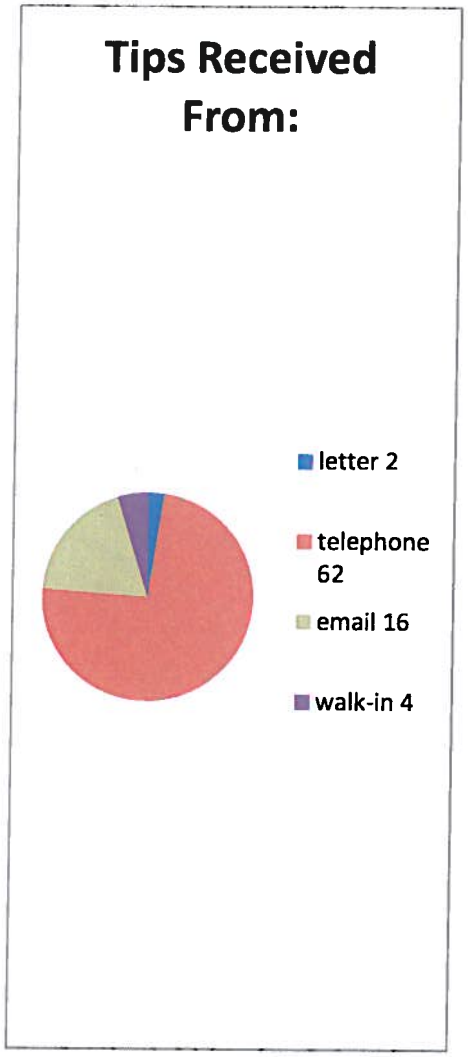
The Comptroller's Office has gathered information pertaining to the Whistleblower Hotline for the period June 1, 2013 through December 31, 2013. The tips received were summarized for this period and comments and recommendations for enhancement and/or improvement have been provided.

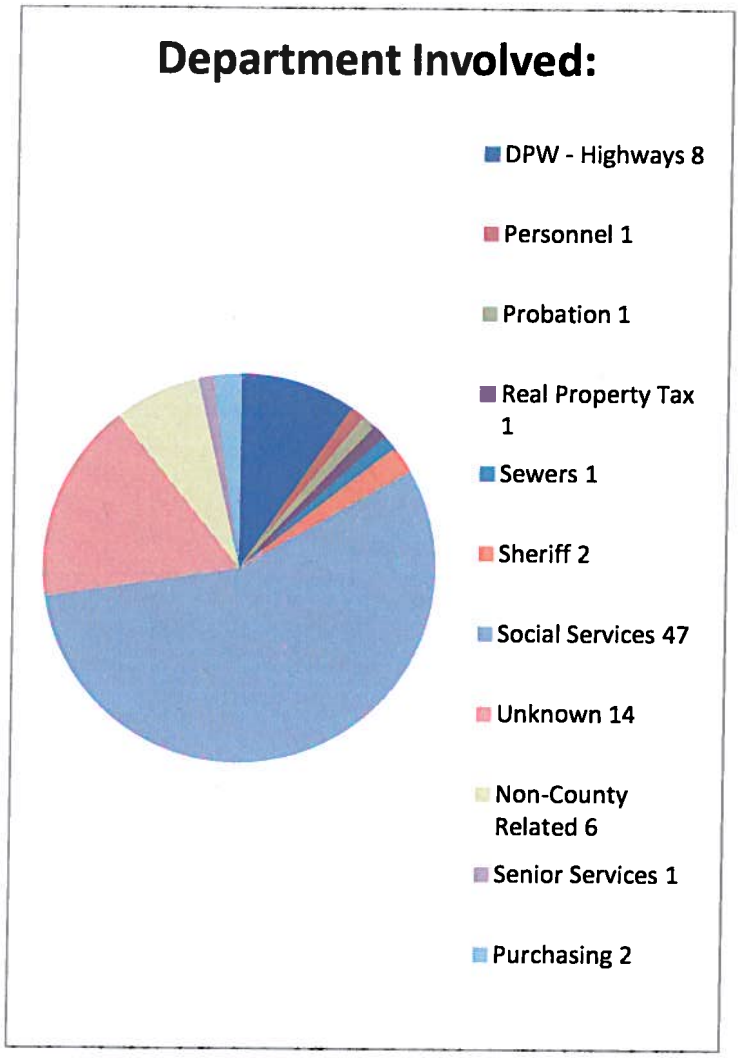
SUMMARY

During the period beginning June 30, 2013 and ending December 31, 2013, there were a total of eighty-four tips received via e-mail, letter or telephone. All allegations regarding possible abuse have been investigated, referred to the appropriate supervising agency, or are pending further investigation. Based on follow-up by the Audit Division of the Comptroller's Office (Audit), eighteen tips have been closed due to lack of substantiation or because after investigation it was determined that they had no merit with respect to waste, fraud, or abuse. Thirty-two tips were regarding public assistance fraud and were forwarded for investigation by the Erie County Department of Social Services (DSS). Four reports were of fraud related to other county departments and have been forwarded to those departments for investigation. Six tip line submissions involved allegations of County employee misconduct and as a result, specific department supervisors were notified as appropriate. After further investigation of the claims, appropriate actions were taken. Currently, there are three open tip line submissions that are pending further investigation.

Due to a tip from the hotline a review of elevator inspection and maintenance was conducted by Audit. This review revealed that many elevators had not been properly inspected and that there is lack of oversight over keeping elevators inspected. The review included recommendations for corrective action, some of which have already been initiated by the Department of Public Works. Due to other tips to the hotline an internal investigation has been launched by a county department into employee theft, and a taxpayer was given information regarding how landlords can collect damages from social services recipients.

A breakdown of the tips can be summarized in the following charts:





Tips received through the hotline are handled in the following manner:

1. For those calls that concern another government or government agency for which the Comptrollers' Office maintains no authority to audit or review, a letter or email is sent to the appropriate supervising agency referred to in the allegation.
2. For those calls received that are requests for information, the Comptroller's Office assists the person as best we can, given time and resource constraints.
3. For those calls we received that concern a private entity, a copy of the report is forwarded to the appropriate supervising agency.
4. For those calls that suggest a potential impropriety concerning an Erie County vendor or employee, Audit researches the report to the maximum extent possible without contacting the individuals involved.
5. For potential internal county issues, and following research, Audit determines what action should be taken. In some cases, items are noted to be examined for potential future audits or reviews. In other cases, items may be forwarded to other departments for action.
6. For calls concerning certain departments with privacy concerns regarding their services, the tip is forwarded to the correct agency or department for investigation.
7. Calls are closed without further action if Audit determines it is either incorrect or not legitimate.

Currently the departments of Equal Employment Opportunity, Health, and Social Services have their own fraud hotlines. These hotlines are manned by the individual departments and may not follow the procedures for confidentiality and follow-up put in place by the Comptroller's Office.

Respectfully Submitted,

Stefan I Mychajliw
Erie County Comptroller

RECOMMENDATIONS

WE RECOMMEND that your honorable body pass a resolution encouraging the administration to implement the following recommendations.

1. The Comptroller's Whistleblower hotline has provided both employees and the public the opportunity to report fraud, waste and abuse of Erie County Assets. These reports have resulted in investigations which have benefitted the public and Erie County Government. To encourage further reporting to the hotline **WE RECOMMEND** that a link to the hotline be placed on the home page of the Erie.gov website.

2. Since Erie County's own employees are in a position to observe fraud, waste, or abuse of Erie County Assets, **WE RECOMMEND** a mass email be sent to all Erie County employees reminding them of the availability to report their concerns to the hotline. **WE FURTHER RECOMMEND** that a notice be placed on employee paychecks reminding them of the availability to report their concerns to the hotline.

3. Erie County maintains numerous hotlines to report different kinds of fraud, waste and abuse. **WE RECOMMEND** that these departments develop a combined listing all of these hotlines and reminding the public that eliminating waste, fraud and abuse saves their tax dollars. This listing should be presented to the media and displayed prominently throughout Erie County owned property.