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COMPTROLLER MYCHAJLIW UNCOVERS MAJOR FAILURES AT BUFFALO URBAN LEAGUE

Contract review reveals billing integrity, staffing, privacy and organizational concerns

(Buffalo, NY) – Erie County Comptroller Stefan I. Mychajliw announced the completion of a contract compliance review of the Buffalo Urban League conducted by his Division of Audit and Control. The review focused on the Urban League’s contract to provide preventative services for children and families to monitor safety and child and family well-being outcomes for the most vulnerable county clients. In the 20 page report, delivered to the Legislature, Comptroller Mychajliw identified the five most serious findings and failures of the Buffalo Urban League.

They include:

- 1. Outrageous Overbilling**
- 2. Failure to Train Employees**
- 3. Failure to Protect Children’s Privacy**
- 4. Failure to Honor the Contract**
- 5. Failure to Cooperate**

“The most vulnerable children and families of Erie County are supposed to be served by this contract with the Buffalo Urban League. At its core, the purpose is to protect children and ensure their safety. It became clear to our auditors that the Urban League was disorganized and dysfunctional. This is likely the root cause of their complete failure to honor the contract they agreed to,” said Comptroller Mychajliw.

The review started as the result of Buffalo Urban League employees that utilized the Comptroller’s Whistleblower Hotline for waste, fraud and abuse. In all, seven Buffalo Urban League employees came forward with serious concerns about their employer’s dishonesty regarding bills submitted to the county. “This started out as a reputable tip about someone overbilling the county. While that was proven to be true, we also uncovered several other areas that I find troubling,” said Comptroller Mychajliw.

OUTRAGEOUS OVERBILLING

Buffalo Urban League employees alleged that their managers were fraudulently billing the county for hours that were never worked. Staff in the Comptroller’s Office confirmed that overbilling occurred in several instances throughout 2014. One of the most outrageous instances was the county being billed for 480 hours worked by only three individuals in one, eight-hour work day. On invoices submitted to the County, the Buffalo Urban League claimed the three employees worked 180 hours, 170 hours, and 130 hours respectively, for a single eight-hour workday.

“To claim that three employees worked a total of 480 hours in one day and go forward with billing the taxpayers for those hours is outrageous. At best, this shows utter incompetence. At its worst it is blatant fraud,” said Comptroller Mychajliw. Additionally, the Buffalo Urban League billed the county for time when their employees were on vacation. In one instance, the county was billed five hours for a supervisor to review a case file in which only fifteen minutes of work was performed for the entire month.

FAILURE TO TRAIN EMPLOYEES

The contract required that the Buffalo Urban League employees were to complete “Mandated Reporting Training (MRT),” a state training that teaches persons working with vulnerable children how to detect and report sexual, physical and emotional abuse. The Urban League was unable to provide proof that all of their employees have completed MRT and have no records that ongoing training is occurring. The contract also required the Buffalo Urban League to provide all new hires 80 hours of training and all employees 40 hours of annual training. The Buffalo Urban League did maintain records for employees that have completed new hire training. This documentation proved that only one of eight new employees in 2014 completed new hire/ orientation training. “These employees directly work with children and are responsible for their well-being. It is unacceptable for an organization that has been criticized before for hiring dangerous employees isn’t taking this part of their contract responsibility seriously,” said Comptroller Mychajliw.

FAILURE TO PROTECT CHILDREN’S PRIVACY

The contract clearly requires that the Urban League document their case progress in the secure New York State Computer System called “Connections,” a single computer system. The contract requires that this be the “sole” program where secure case files are kept. During the review, auditors noticed that a second, home-made, system was being used to maintain and work on case files. The Urban League contended that the second system was necessary because the NYS “Connections” system did not have a billing module. The secondary system had no security measures to protect client confidentiality. New York State’s Office of Child and Family Services acknowledged to our office that they were unaware of the secondary system, that it concerns them, and they would work with the Urban League on “corrective measures.” “Conveniently, the hours in their home-made system matched what taxpayers were billed for, and the hours they reported to the state did not. They used two sets of books that did not match,” said Comptroller Mychajliw. “At issue here is not a simple contract violation; it is the complete failure to secure the confidential details of children and families in their care,” continued Mychajliw.

FAILURE TO HONOR THE CONTRACT

The contract required that the Buffalo Urban League report quarterly on their progress. In total, they were required to provide three separate reports, every three months. Therefore, a total of 12 individual and annual reports should have been submitted over one year. In 2014, they submitted a total of six reports, not the required 12. As of December 3rd, 2015, the Department of Social Services has still not received all quarterly reports, according to a Special Assistant to the Commissioner. The required reports include fiscal reports, programming reports and budget versus actual expenditure reports.

FAILURE TO COOPERATE

During the course of this review, the Buffalo Urban League was requested to provide information on 18 separate occasions. One such request took 140 days for their managers to respond to county auditors. The average length of time it took them to reply to a request for information was 31 days.

“This review started as the result of concerned employees, who worried that their employer was exploiting their working hours in order to take advantage of taxpayers. The information Buffalo Urban League employees provided to our Whistleblower Hotline proved to be true. Regardless of why this happened, the fact remains that it did. The Buffalo Urban League needs to stop making excuses and work toward solving their internal organizational problems. Correcting their mistakes will prevent this from happening in the future. It will ultimately help the Buffalo Urban League better serve the vulnerable children and families the county entrusts them with,” concluded Comptroller Mychajliw.

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