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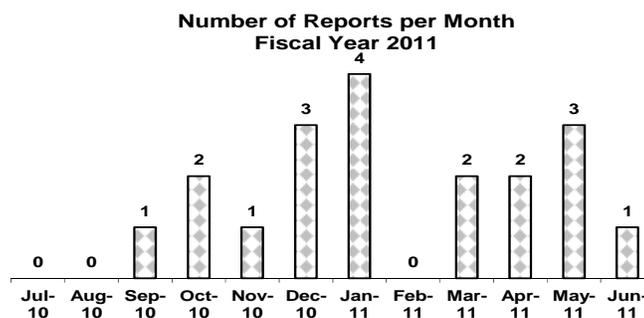
Good Government Hotline Fiscal Year 2011 Report July 2010 – June 2011

General Overview

The Good Government Hotline was established in October 2007 to provide Multnomah County employees and the public at large with a method of reporting suspected fraud, abuse of position, and misuse of county resources (see the general definitions on page 4). From its inception in 2007 through June 2010, the Hotline was administered by an independent company, EthicsPoint, which received reports from citizens through both a call center and over the Internet. Information was gathered and reported to the Multnomah County Auditor's Office for resolution. In July of 2010, as a cost saving measure, the Auditor's Office assumed administration of the Hotline. The Auditor's Good Government Hotline currently allows citizens to make confidential reports in two ways: by phone (leaving a voicemail message) or via an online entry form.

This report covers Good Government Hotline activities during Fiscal Year 2011 (July 2010 through June 2011) and summarizes overall reports made to the Hotline since its inception in 2007. A summary of report trends, costs, and other statistics follow.

Number of Reports FY11



The Hotline received 19 reports during FY11, an average of 1.6 per month. July, August and February had no activity while January was the busiest with four reports, followed by three in December and May.

Cost

On June 30, 2010, the Auditor's Office terminated a \$5,000+ annual contract with EthicsPoint, the private company that had administered the Hotline, and assumed all responsibility for operations. Direct costs associated with the Auditor's Office administration of the Hotline are now less than \$1,500 per year. Time spent by county staff investigating and responding to reports referred to departments or appropriate officials is not included and varies with the number and types of reports received. The reason for the fluctuation in the number of reports per month is unknown and it is difficult to reasonably predict future usage of the Hotline.

Trends

The Hotline has received 162 reports since its inception in 2007, through June 2011. Activity was greatest during the first several months of operation with 54 reports from October 2007 through June 2008, followed by 54 reports in the entire year, FY09. There were 35 reports in FY10 and 19 reports in FY11 (when the Auditor's Office switched from the EthicsPoint Service). It is notable that reports from employees dropped significantly in FY10, going from 36 reports in FY08 and 41 reports in FY09, to 18 reports in 2010 after efforts were made to clarify the Hotline was not for regular human resource issues.

It is difficult to determine the reason for fewer total reports in FY11. For a period of time the Hotline was not on the County's main web page and, while we cannot determine if some of the drop was related to the change in service, fewer reports came in by telephone during that period. It may be easier for some citizens to call at their convenience and explain an issue to another person compared to completing an on-line survey. In past years 27% of reports were made through the 24/7 call center, compared to 2 of 19 (11%) reports made by phone in FY11.

Summary of Annual Statistics

<u>Report Period</u>	<u>Total</u>	<u>Report Type</u>			<u>Source of Call</u>	
		<u>On-line</u>	<u>Call-in</u>	<u>Other</u>	<u>Employee</u>	<u>Public</u>
October 2007 - June 2008	54	42	12	0	36	18
July 2008 - June 2009	54	40	14	0	42	12
July 2009 - June 2010	35	21	12	2	18	17
July 2010 - June 2011	19	15	2	2	9	10
Total	162	118	40	4	105	57

Our office has gotten great value out of hearing from employees and the public, and a number of agency managers have indicated they found the information useful as well. In a 2010 Global Fraud Study, the Association of Certified Fraud Examiners reported that fraud in government agencies is more likely to be detected based on a tip than by any other detection method. While there are many ways to receive fraud tips, the hotline provides an effective avenue for reporting.

Overall Statistics for Fiscal Year 2011

7/10 – 6/11 Hotline Report Categories:	
Fraud	0
Abuse of position	0
Conflict of interest	0
Unauthorized use of County property	1
Misuse of time/benefits	4
Other HR related concern	2
General workplace concern	4
Inappropriate behavior/actions	2
Improper contractor activity	0
Other citizen complaint or concern	5
Not County related	1
TOTAL	19

7/10 – 6/11 Reports by Current Disposition Status:	
Contacted appropriate official – no further review necessary	3
Referred report to appropriate official for resolution	6
Referred the reporter to a more appropriate resource	2
Reported concern or issue resolved	6
Review suspended due to incomplete/unavailable information	0
Auditor's review or other investigation ongoing at this time	2

- 15 of 19 (79%) reports were submitted via the Internet.
- 10 of 19 (53%) reports came from members of the public.
- 8 of 19 (42%) reporters chose to remain anonymous.
- 9 of 19 (47%) reports were referred to appropriate official (i.e. management, HR, County Attorney) for review or resolution.

2 reports remain unresolved.

- One Hotline report fell in categories that meet the general definitions of fraud, abuse of position, and misuse of county resources, but was not substantiated.
- 12 of 19 (63%) Hotline reports fell in one of these four categories: misuse of time or benefits; other human resources related concern; general workplace concern; or inappropriate behavior/actions.

Overall Statistics for Fiscal Years 2008 – 2011

10/07 – 6/11 Hotline Report Categories:	
Fraud	6
Abuse of position	8
Conflict of interest	8
Unauthorized use of County property	10
Misuse of time/benefits	23
Other HR related concern	28
General workplace concern	22
Inappropriate behavior/actions	25
Improper contractor activity	10
Other citizen complaint or concern	13
Not County related	9
TOTAL	162

10/07 – 6/11 Reports by Current Disposition Status:	
Contacted appropriate official – no further review necessary	45
Referred report to appropriate official for resolution	53
Referred the reporter to a more appropriate resource	15
Reported concern or issue resolved	26
Review suspended due to incomplete/unavailable information	12
Auditor's review or other investigation ongoing at this time	2

- 20% of Hotline reports fell in categories that meet the general definitions of fraud, abuse of position, and misuse of county resources, but were not substantiated.
- 60% of Hotline reports fell in one of these four categories: misuse of time or benefits; other human resources related concern; general workplace concern; or inappropriate behavior/actions.
- 60% of reports were handled by departments, either through a review with the appropriate official or referral for resolution.

To date, no criminal charges have resulted from any Hotline report.

APPENDIX

General Definitions

Fraud is defined as the intentional misappropriation of county assets by any act including, but not limited to, theft, embezzlement, or misrepresentation. Fraud can be internal or external, in that it can be perpetrated by contractors or vendors, as well as by county agencies and employees. While none has been discovered as a result of the Hotline, these are the kinds of things we maintain vigilance for.

Examples of fraud:

- Misappropriation of county cash and other funds, including funds intended for service recipients or those incarcerated in county jail facilities
- Theft or unauthorized removal of county records or property or the property of other persons
- Willful destruction or damage of county records, county property, or the property of other persons
- Falsification of records such as time cards or travel and other expense vouchers

Abuse is defined as use of employment with the county to obtain personal gain or benefit from the county to which one is not entitled, for the employee or for someone else, such as a friend or family member. Such actions constitute **abuse of position** and abuse of the public trust.

Examples of abuse of position:

- Obtaining a benefit or service from the county for which an employee does not qualify
- Providing a benefit or service to someone for which they do not qualify
- Unauthorized reduction of fines or fees

Misuse of county resources is defined as using a county resource, such as county equipment or county-compensated time, for personal use.

Examples of misuse of county resources:

- Personal use, unauthorized use, or misuse of county property such as computers, telephones, vehicles, and fax machines
- Performing personal business on county time
- Not working when being paid to work

Accessing the Good Government Hotline

Reporters can access the Hotline in a variety of ways:

A link to the Auditor's Office Good Government Hotline is located on the Multnomah County Auditor's Good Government Hotline page at www.GoodGovHotline.com

- From the Auditor's Good Government Hotline page, follow the link to submit an online report.
- Call 503-793-4723. Callers leave a message and can leave a call back number if they wish.