State Employee Fraud Hotline Survey

AMBER ROBBINS

LEGISLATIVE AUDIT COMMITTEE – OCTOBER 20, 2021
Purpose of the Survey

- To understand state employee perceptions of and engagement with mechanisms for reporting FWA and trends over time
- To promote awareness of the LAD ACT Hotline
## Background

<table>
<thead>
<tr>
<th>2019 SURVEY</th>
<th>2021 SURVEY</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Randomly sampled 6,000 state employees</td>
<td>• Randomly sampled 6,000 state employees</td>
</tr>
<tr>
<td>• Electronic survey sent June 2019</td>
<td>• Electronic survey sent April 2021</td>
</tr>
<tr>
<td>• Demographic questions</td>
<td>• Demographic questions</td>
</tr>
<tr>
<td>Agency</td>
<td>Agency Gender</td>
</tr>
<tr>
<td>Tenure</td>
<td>Tenure Education</td>
</tr>
<tr>
<td>• 1,626 respondents</td>
<td>• 1,613 respondents</td>
</tr>
<tr>
<td>Response rate = 27.1%</td>
<td>Response rate = 26.9%</td>
</tr>
</tbody>
</table>
First-hand Knowledge in Previous Two Years

- 2019:
  - 5% Fraud
  - 10% Abuse
  - 19% Overall

- 2021:
  - 4% Fraud
  - 6% Abuse
  - 12% Waste

Overall, there has been a decrease in both fraud and abuse knowledge, while the knowledge of waste has increased.
# Survey Results (cont.)

<table>
<thead>
<tr>
<th></th>
<th>2019 Survey</th>
<th>2021 Survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes to at least one FWA question</td>
<td>346</td>
<td>244</td>
</tr>
<tr>
<td>Respondents to the FWA questions</td>
<td>1,558</td>
<td>1,613</td>
</tr>
<tr>
<td>Percentage</td>
<td>22%</td>
<td>15%</td>
</tr>
</tbody>
</table>
First-hand knowledge of FWA

- 87% No first-hand knowledge of FWA
- 8% Yes, but I did NOT report it.
- 5% Yes, and I reported it.
Where do state employees report FWA?

State employees continue to report FWA internally.

Top Few:
- Agency management or immediate supervisor
- Agency human resources
- Agency director or elected official
- Agency internal audit (slight increase from 2019)
Why State Employees Did Not Use the Hotline

<table>
<thead>
<tr>
<th>Reason</th>
<th>2019</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>I was not aware there was a Hotline for reporting fraud, waste, or abuse</td>
<td>42%</td>
<td>35%</td>
</tr>
<tr>
<td>I did not believe it was the appropriate place to report in this situation</td>
<td>20%</td>
<td>26%</td>
</tr>
<tr>
<td>Other</td>
<td>18%</td>
<td>14%</td>
</tr>
<tr>
<td>I was worried about retaliation against me</td>
<td>6%</td>
<td>12%</td>
</tr>
<tr>
<td>I decided to use a different reporting mechanism</td>
<td>9%</td>
<td>7%</td>
</tr>
<tr>
<td>I wasn’t sure that I would be able to remain anonymous</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>I didn’t think my allegations would be taken seriously</td>
<td>4%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Unawareness of the hotline decreased.
Why State Employees Did Not Report FWA

- I didn't think anything would be done about it
  - 2019: 55%
  - 2021: 71%

- I feared retaliation
  - 2019: 59%
  - 2021: 57%

- I wasn't sure if it was FWA, or if my suspicions were correct
  - 2019: 24%
  - 2021: 29%

- Other
  - 2019: 25%
  - 2021: 23%

- I didn't know where or how to report it
  - 2019: 22%
  - 2021: 20%

- I didn't believe it was serious enough to warrant a report
  - 2019: 18%
  - 2021: 19%
Top 5 Types of FWA Perceived by State Employees

(Figure 9, p15)

(Table 2, p16)
Questions?