

GOOD AFTERNOON



Deborah Butler
Legal Counsel

I have been with the Legislative Audit Division since 2011.
I have been an attorney in public practice for over thirty years and
being legal counsel for LAD is rewarding and was by far the best
career move I made in those thirty years.

ACCOUNTABILITY, COMPLIANCE, AND TRANSPARENCY

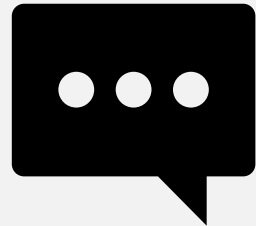
REPORTING AND RESOLVING ALLEGATIONS OF
FRAUD, WASTE, AND ABUSE



1-800-222-4446
406-444-4446

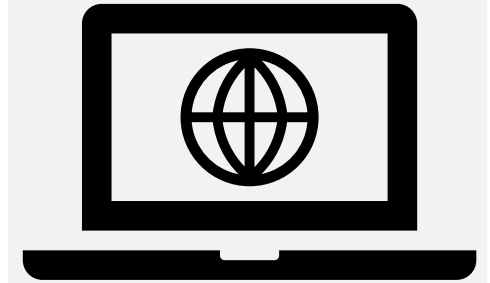
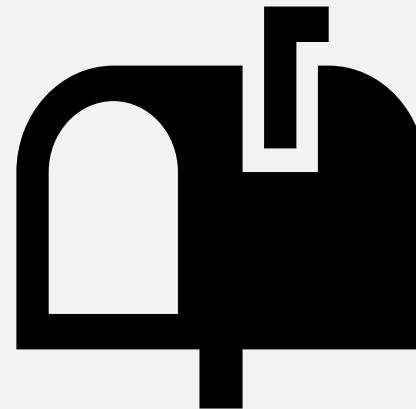


LADHotline@mt.gov



704-430-3930

LAD Fraud Hotline
Legislative Audit Division
PO Box 201705
Helena, MT 59620-1705



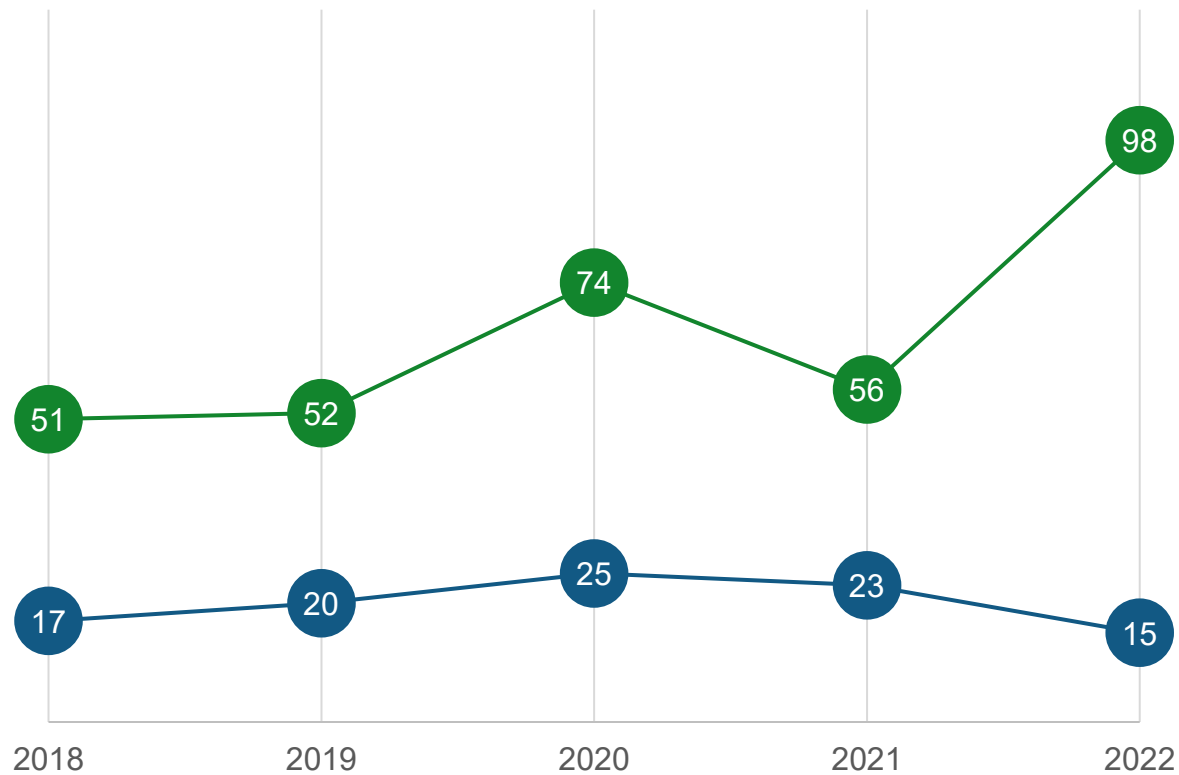
www.montanafraud.gov

Importance of the ACT Hotline

- ✓ Tips detected 42 percent of fraud
- ✓ 55 percent of tips came from employees of the organization
- ✓ Organizations with hotlines are more likely to detect fraud through tips



Hotline submissions went up significantly in fiscal year 2022 while **penal violations** decreased.

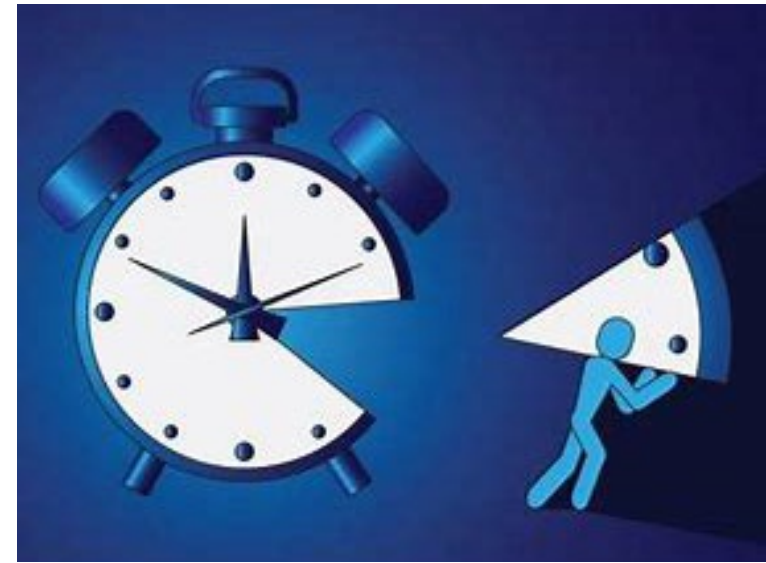


- ✓ No jurisdiction over 64 of the 98 hotline reports
- ✓ 17 agencies were the subject of hotline submissions
- ✓ Four state agencies reported penal violations in FY22



- ✓ Policy Violation
- ✓ Hostile Work Environment
- ✓ Issues with Management
- ✓ Favoritism

- ✓ Misuse state vehicles
- ✓ Misuse office space
- ✓ Questioning IT purchases
- ✓ Misuse state facilities
- ✓ Misuse teleworking agreements
- ✓ Misuse of procards



- ✓ Claiming hours not worked
- ✓ Sleeping at desk
- ✓ Surfing the Internet
- ✓ Watching videos, texting, emailing on phone

PHHS

Three for FY22

Five-year total of 31

Five-year average 6.2



DLI

Five for FY22

Five-year total of 25

Five-year average 5.0

MDT

One for FY22

Five-year total of 28

Five-year average 5.6



529.5
Staff Hours



Unsubstantiated

The allegation
was not
supported by
evidence

Inconclusive

No firm
conclusion can
be drawn from
the evidence

Substantiated

Evidence
obtained proves
the truth of the
allegation

Employee's Use of a State Vehicle at DOJ Found to be Abuse

- Employee using state vehicle for personal use for an extended period
- Authorization documentation not generated or filed as required by law
- About 1,700 vehicle miles not accounted for in fuel card data: probable effort to circumvent fuel card policy



Use of State Park at FWP Found to Be Waste and Abuse

- Wedding occurred inside Lewis & Clark Caverns State Park
 - Not a public wedding venue
 - No policies and procedures developed for fees or permits
-
- Wedding couple allowed unsupervised access
 - Operated lighting system without authorization



Thank you for your attention



I am available for questions.