



COMMONWEALTH of VIRGINIA

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To: Employees of Executive Branch Agencies
From: John A. Spooner, State Internal Auditor
Subject: State Employee Fraud, Waste, and Abuse Hotline

Have you heard about the State Employee Fraud, Waste, and Abuse Hotline?

You may be a new employee with the Commonwealth of Virginia, or perhaps you have heard rumors about the Hotline, or you may even know someone who has called the Hotline. We are providing this memo to help clarify the purpose of the Hotline, how it works, and what you can do to help identify fraud, waste, and abuse in the Commonwealth.

Some of the most common issues reported to the Hotline last year were abuse of leave, misuse of state equipment and vehicles, and non-compliance with agency internal policies .

What is the Hotline?

The Hotline is a way for state employees to anonymously report suspected incidents of fraud, waste, or abuse that have occurred in any state agency or university. You are encouraged to first report fraud, waste, and abuse to management. However, if you are uncomfortable doing so, the Hotline provides you with an alternative way of reporting your concerns. The Division of State Internal Audit (DSIA), a division of the Department of Accounts, administers the Hotline. Governor Kaine, in Executive Order Number Twelve (2006), mandated the continuation of the State Employee Fraud, Waste, and Abuse Hotline Program (Hotline), which was first implemented in October 1992.

How can you tell if you have witnessed fraud, waste, or abuse?

We all know the difference between right and wrong. Sometimes a coworker may be doing something that everybody knows is wrong, but nobody says anything about it. Some other issues may not be as obvious, so here are the definitions of fraud, waste, and abuse that we use for the Hotline:

Fraud – Fraud consists of a false representation of the facts, including making false or misleading statements, or trying to hide wrongdoing. The deception is intentional and usually results in a benefit to the person committing the fraud, or could cause damage, harm, or loss to others or the Commonwealth. (For example: falsifying financial records to cover up the theft of money or state property);

Waste – Waste is considered the unnecessary spending or careless squandering of the Commonwealth’s resources, whether intentional or unintentional. Sometimes, inefficient or ineffective business practices may result in waste. (For example: spending state funds to purchase items that have no business purpose); and

Abuse – Abuse is the intentional destruction, diversion, manipulation, misapplication, mistreatment, or misuse of the Commonwealth’s resources; the excessive or improper use of state property; or the extravagant or excessive use of a person’s position or authority. Abuse can occur in a financial or non-financial environment. (Using a state vehicle for non-state business or taking time off from work without properly reporting leave are examples of abuse occurring in a non-financial environment).

When can you call the Hotline and what happens when you do?

- Call the toll-free Hotline phone number, 800-723-1615, between the hours of 8:15 AM and 5:00 PM, Monday through Friday, excluding State holidays. Calls are received through a **non-traceable** line that **does not show any caller ID phone number**. Hotline calls are **NOT recorded**;
- Your call will be answered by a DSIA employee, not a recorded system. The employee answering your call does not know who you are or where you are calling from;
- You will be told not to disclose your identity, to protect your anonymity. We do not even write down if the caller is male or female;
- You will be asked to describe your concern in as much detail as possible. In order to perform a thorough investigation, we will need you to provide the agency name and the names of the people involved;
- Each call is initially evaluated or screened to determine whether or not the allegations involve fraud, waste, or abuse of state resources or fall outside of the scope of the Executive Order;
- A case number is assigned to each call that passes the first screening to allow you to call back to provide additional information or to check the status of your case, but still remain anonymous;

- Cases undergo a second screening process to eliminate allegations that do not contain sufficient details to conduct an effective investigation or do not meet other screening criteria established by the DSIA;
- Cases are assigned for investigation to the Internal Audit Director or Hotline Coordinator within the applicable agency or to the DSIA, depending upon the nature of the allegation; and
- All investigations are to be completed within 60 days of receipt of the allegation. If additional time is necessary, a request to the DSIA for an extension is required.

For detailed information explaining the complete Hotline process, please visit the DSIA website: [www.doa.virginia.gov/DSIA/Fraud and Abuse Hotline.cfm](http://www.doa.virginia.gov/DSIA/Fraud_and_Abuse_Hotline.cfm) or the Hotline Policies and Procedures Manual: www.doa.virginia.gov/DSIA/HotlinePoliciesManual.pdf.

What if you are reluctant to call the Hotline, but really want to report a problem?

You may send a written account of your concern by e-mail (dsia@doa.virginia.gov), by fax (804-371-0165), or by U.S. mail (FWA Hotline, P.O. Box 1971, Richmond, VA 23218). Please provide as many details as possible. If you are interested in checking the status of your concern, several days after you send in your documents you will need to contact our office so that we can provide you with your assigned case number. This case number should be referred to when asking about the status of your concern in the future.

What kind of calls should NOT be made to the Hotline?

- Allegations against private citizens and entities are outside the scope of the Hotline program;
- Allegations involving employee grievances or discrimination complaints should be reported to the Department of Employment Dispute Resolution (DEDR) or the Office of Equal Employment Services, an office within the Department of Human Resource Management;
- Allegations against State legislators and constitutional officers of localities should be reported to the Auditor of Public Accounts; and
- Allegations against judges and staff should be reported to the Judicial Inquiry and Review Commissioner.

Thank you for your support of the Hotline. Together we can ensure that Virginia maintains its ranking as one of the best managed states in the nation.

If you have any questions concerning the Hotline, please call 800-723-1615 and ask for me, John Spooner, or Tim Sadler, Audit Manager.