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Governor of the State of Maine

Honorable Kevin L. Raye
President of the Senate

Honorable Robert W. Nutting
Speaker of the House

MAINE STATE AUDITOR'S FRAUD HOTLINE

<http://www.maine.gov/audit/fraud/fraud.htm>

December 2010 Semiannual Report

Period 07/01/10 to 12/31/10

Total number of complaints received: 16

Complaint sequence: Complaints 43 to 59 (2 on same matter)

Number of referrals of fraud or other criminal conduct to the Attorney General: 1

Number of referrals of agency performance issues to the Office of Program Evaluation and Government Accountability: 0

Number of referrals of fraud or other criminal conduct to District Attorney/local police: 4

Number of investigations by the State Auditor: Opened: 16
Completed/Closed: 16

Complaints about private individuals referred (some to more than one agency): 9

Referred to Office of State Controller (OSC): 1

Referred to Fraud Investigation and Recovery Unit of DHHS (FIRU): 4

Referred to Program Integrity Unit of DHHS: 2



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Complaint #43

Nature of Complaint: Complaint alleged fraud in municipality involving deputy tax collector and others including town clerk, deputy clerk and town manager.

Office, bureau, or division within department or agency that is subject of complaint: The subject of complaint is a municipality, not State government.

Determination of potential cost savings: Not applicable to State government.

Recommended action: Referred to District Attorney. Closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: District Attorney secured conviction of town official for felony theft from town.

Complaint #44

Nature of Complaint: Complaint alleged that federal funds should have been distributed to fishermen in 2008 but not were received.

Office, bureau, or division subject of complaint: Maine Department of Marine Resources.

Determination of potential cost savings: None. Federal funds were paid by Department of Marine Resources to fishermen who participated in approved federal research projects. Funds were not meant to be subsidies for all fishermen.

Recommended action: Investigation completed. Case closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: No fraud found.

Complaint #45

Nature of Complaint: State Worker A complained that State Worker B may have falsified mileage reimbursement and work time. Worker A also complained that Worker B's manager was not properly supervising Worker B.

Office, bureau, or division that is subject of complaint: Department of Labor

Determination of potential cost savings: None, because no fraud was found.

Recommended action: Referred to Office of State Controller for investigation of alleged employee timesheet and mileage falsification. Case closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: No fraud found by OSC.

Complaint #46

Nature of Complaint: Complaint involved email and internet website through which complainant gave out money that was not repaid.

Office, bureau, or division that is subject of complaint: Private matter: not applicable.

Determination of potential cost savings: None: private matter.

Recommended action: Maine State Police Computer Crimes Unit consulted. Complainant referred to local police department. Case closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: Not applicable: private matter.

Complaint #47

Nature of Complaint: Complaint alleged fraud in municipality involving deputy tax collector, town clerk, deputy clerk and former town manager with many specifics and allegations against various individuals. Same as Complaint #43.

Office, bureau, or division within department or agency that is subject of complaint: The subject of complaint is municipal administration, not State government.

Determination of potential cost savings: Not applicable to State government.

Recommended action: Referred to District Attorney. Closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: Conviction of deputy tax collector.

Complaint #48

Nature of Complaint: Complainant stated a check was delivered by overnight service. She was asked to cash it at a specific money-gram center and rate the service. She would be paid from the check, with the balance to be wired to Detroit, Michigan. Complainant contacted the store and was told the package and shopper survey were not authorized.

Office, bureau, or division that is subject of complaint: None: private matter.

Determination of potential cost savings: None: private matter.

Recommended action: Local police were informed: closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: Not applicable: private matter.

Complaint #49

Nature of Complaint: Complaint alleged a phone worker installed illegal cameras to spy on her “underage” daughter in her home.

Office, bureau, or division that is subject of complaint: Not applicable: private matter

Determination of potential cost savings: None: private matter

Recommended action: Referred to local police. Case closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: Not applicable: private matter.

Complaint #50

Nature of Complaint: Complaint alleged two people live together as husband and wife, claim food stamps and Maine Care as individuals, and sell prescriptions for street value.

Office, bureau, or division that is subject of complaint: None: private conduct.

Determination of potential cost savings: Assistance funds might be recovered as determined by agencies to which referred.

Recommended action: Referred to Fraud Investigation and Recovery Unit (FIRU) and MaineCare Program Integrity Unit of the Department of Health and Human Services and to the Attorney General. Case closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: To be determined by FIRU, others.

Complaint #51

Nature of Complaint: Complaint alleged fraud in food stamps, TANF and MaineCare by individual who falsely claims a child lives with her.

Office, bureau, or division that is subject of complaint: None: private conduct alleged.

Determination of potential cost savings: Assistance funds might be recovered as determined by agencies to which referred.

Recommended action: Referred to Fraud Investigation and Recovery Unit (FIRU) and MaineCare Program Integrity Unit of the Department of Health and Human Services. Case closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: To be determined by FIRU, others.

Complaint #52

Nature of Complaint: Complaint alleged ex-husband's receipt of food stamps for child was improper due to shared custody order.

Office, bureau, or division that is subject of complaint: None: private dispute.

Determination of potential cost savings: Not applicable: matter is private.

Recommended action: Referred to Fraud Investigation and Recovery Unit (FIRU) and MaineCare Program Integrity Unit of the Department of Health and Human Services. Case closed by Maine Audit.

Statement as to degree complaint has been substantiated: Not applicable: private dispute. Complaint does not allege duplicate payments, but that benefits should be shared by parents.

Complaint #53

Nature of Complaint: Complaint alleged welfare fraud in general terms from comments of store employees and newspapers.

Office, bureau, or division within department or agency that is subject of complaint: Not applicable. Complaint does not provide facts.

Determination of potential cost savings: Not applicable.

Recommended action: None. Complaint did not provide sufficient information to investigate. Case closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: Insufficient facts to determine.

Complaint #54

Nature of Complaint: Complaint against home improvement contractor alleged workers get state benefits and equipment from the state without sufficient facts to investigate.

Office, bureau, or division that is subject of complaint: Not identified by private complaint.

Determination of potential cost savings: Insufficient facts in complaint about contractor.

Recommended action: None: private matter. Case closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: Insufficient facts to determine.

Complaint #55

Nature of Complaint: Complainant claims she and her husband have legal custody of his child by another woman and that non-custodial mother has attempted to claim benefits for the child and may be improperly receiving benefits.

Office, bureau, or division that is subject of complaint: None: private matter

Determination of potential cost savings: Not applicable to State government conduct, but improper payments found could be recovered.

Recommended action: Referred to Fraud Investigation and Recovery Unit of DHHS. Case closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: To be determined by FIRU.

Complaint #56

Nature of Complaint: Complainant alleged someone sells food stamps while her children go hungry, and she has a boyfriend living with her who is not on the Section 8 housing lease.

Office, bureau, or division within department or agency that is subject of complaint: This complaint alleges private fraud. The subject of complaint is not State government.

Determination of potential cost savings: Not applicable to State government; improper benefits might be recovered.

Recommended action: Provided complainant information on reporting fraud to DHHS. Case closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: To be determined by FIRU and Maine Housing.

Complaint #57

Nature of Complaint: Complaint asked for contact information for Wisconsin.

Office, bureau, or division that is subject of complaint: Not applicable to Maine.

Determination of potential cost savings: Not applicable.

Recommended action: A link to Wisconsin fraud reporting was provided to complainant. Case closed by Maine Audit.

Statement as to degree complaint has been substantiated: Not applicable.

Complaint #58

Nature of Complaint: Complainant alleged that someone telephoned her to say she owed a large sum to Central Power and needed to complete an identity fraud packet.

Office, bureau, or division that is subject of complaint: None: private fraud alleged.

Determination of potential cost savings: Not applicable.

Recommended action: None: private matter. Case closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: Not applicable: private matter.

Complaint #59

Nature of Complaint: Complainant alleged theft of stock shares by person in Maine.

Office, bureau, or division that is subject of complaint: None: private fraud alleged.

Determination of potential cost savings: None: private conduct.

Recommended action: Complainant referred to local police. Case closed by Maine Department of Audit.

Statement as to degree complaint has been substantiated: Not applicable: private matter.