



**STATE OF MAINE**  
**OFFICE OF THE STATE AUDITOR**

66 STATE HOUSE STATION  
AUGUSTA, ME 04333-0066

TEL: (207) 624-6250

**Matthew Dunlap, CIA**  
State Auditor

**B. Melissa Perkins, CPA**  
Deputy State Auditor

February 5, 2024

Honorable Members of the Legislative Council for the 131<sup>st</sup> Legislature;

Honorable Janet T. Mills  
Governor of the State of Maine

I am pleased to submit the State Auditor's Fraud Hotline Semiannual Report for the period January 1, 2023, to June 30, 2023.

A summary of the complaints is attached.

Sincerely,

  
Matthew Dunlap, CIA  
State Auditor



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**STATE AUDITOR'S FRAUD HOTLINE**

<http://www.maine.gov/audit/fraud/index.html>

Semiannual Report for the Period 1/1/2023 to 6/30/2023

|   |    |
|---|----|
| Total number of complaints received   | 41 |
| Complaint sequence: Complaints No. 1005 through No. 1045  |    |
| Number of complaints closed based on not meeting requirements for investigation                 | 5  |
| Number of complaints investigated by the Office of the State Auditor                            | 11 |
| Number of complaints referred to the Office of the Attorney General                             | 7  |
| Number of complaints referred to the Office of Program Evaluation and Government Accountability | 0  |
| Number of complaints referred to Federal Agencies   | 2  |
| Number of complaints still open   | 5  |
| Number of complaints referred to State Agencies:  |    |
| Department of Health and Human Services – Fraud Investigation and Recovery Unit                 | 16 |
| Department of Labor   | 2  |
| Bureau of Motor Vehicles  | 1  |
| Maine Revenue Services  | 3  |
| Maine State Housing Authority   | 5  |

Types of complaints investigated by the Office of the State Auditor:

- illegal acts affecting State government such as theft, fraud, and financial conflict of interest;
- financial fraud depleting resources or increasing expenditures of the State;
- significant abuse of State equipment or property;
- clear misuse of State property, programs, or work time for personal gain;
- gross misconduct with significant financial effects;
- consistent, wasteful conduct with significant financial implications; and
- kickbacks or similar acts involving return payments to State workers or vendors.

Types of complaints not investigated by the Office of the State Auditor; however, are generally referred to other State agencies or other government authorities:

- personal conflicts between individuals or threats of violence;
- alleged improper acts by Federal officials;
- complaints against State employees about personal matters;
- mistakes made by State personnel;
- insignificant matters or complaints without sufficient factual basis; and
- matters handled by other specific State investigation units.

The Office of the State Auditor does not have enforcement power. However, we work with governmental entities that do have enforcement power. This includes, but is not limited to, the Attorney General's Office and the District Attorneys' Offices.

A listing of the complaints investigated by the Office of the State Auditor personnel received from January 1, 2023, to June 30, 2023, begins on page three of this report.

| <b>ID</b> | <b>Type or Name of Potential Fraud</b> | <b>State Agency Complained of:</b> | <b>Potential Impact on Government:</b> | <b>Action taken by the Office of the State Auditor:</b> | <b>Substantiation of Complaint:</b> |
|-----------|--|------------------------------------|--|---|-------------------------------------|
| 1010      | Municipal Complaint                    | None                               | N/A                                    | Closed – Referred to AG                                 | Closed – To be Determined by AG     |
| 1020      | Municipal Complaint                    | None                               | N/A                                    | Closed – Referred to AG                                 | Closed – To be Determined by AG     |
| 1022      | Municipal Complaint                    | None                               | N/A                                    | In Progress – In Contact with Complainant               | Pending                             |
| 1024      | Municipal Complaint                    | None                               | N/A                                    | In Progress – In Contact with Complainant               | Pending                             |
| 1025      | Municipal Complaint                    | None                               | N/A                                    | Closed – Referred to AG                                 | Closed – To be Determined by AG     |
| 1026      | Municipal Complaint                    | None                               | N/A                                    | In Progress – In Contact with Complainant               | Pending                             |
| 1027      | Municipal Complaint                    | None                               | N/A                                    | In Progress – In Contact with Complainant               | Pending                             |
| 1029      | Municipal Complaint                    | None                               | N/A                                    | In Progress – In Contact with Complainant               | Pending                             |
| 1030      | Municipal Complaint                    | None                               | N/A                                    | Closed – Referred to Local Authorities                  | Closed                              |
| 1035      | State Government Fraud                 | DVEM <sup>1</sup>                  | Misuse of State Funds                  | Closed – Referred to Federal Agencies <sup>2</sup>      | Closed                              |
| 1040      | Municipal Complaint                    | None                               | N/A                                    | Closed – Referred to Local Authorities                  | Closed                              |

<sup>1</sup> Department of Defense, Veterans and Emergency Management

<sup>2</sup> Federal Agencies referred to for this complaint include Department of Defense and Office of Inspector General