# City Auditor's Integrity Unit
# Fiscal Year 2016 Annual Report

October 2016

We conduct investigations of allegations of fraud, waste, and abuse by City employees and contractors

## How many allegations did we receive this year?

This year, we received **306** new allegations. Many were not in our jurisdiction and were referred to a more appropriate party.

## What is the trend for allegations received?

We continue to experience a significant increase in allegations.

**23%** increase from FY 15

**47%** increase from FY 14

## Where did allegations come from?

Our hotline program includes a phone hotline and online reporting form. Employees who have worked with us before often reach out directly by phone or email to report wrongdoing. Some departments refer their internal investigations to us when they are related to fraud, waste, and abuse.

**51%** Hotline program

**42%** Direct contact

**7%** Referral from depts or audits

## What portion of allegations were anonymous?

Individuals wishing to remain anonymous may do so for any reporting methods. They have the option of setting a password that can be used to check the status of the investigation throughout the process.

Approximately **50%** filed anonymously

## What types of allegations did we get outside of our jurisdiction this year?

**39%** Our jurisdiction

**61%** Outside of our jurisdiction

**49%** Personnel issues

**40%** Operational issues/other

**11%** Criminal issues

## How do we decide what to investigate?

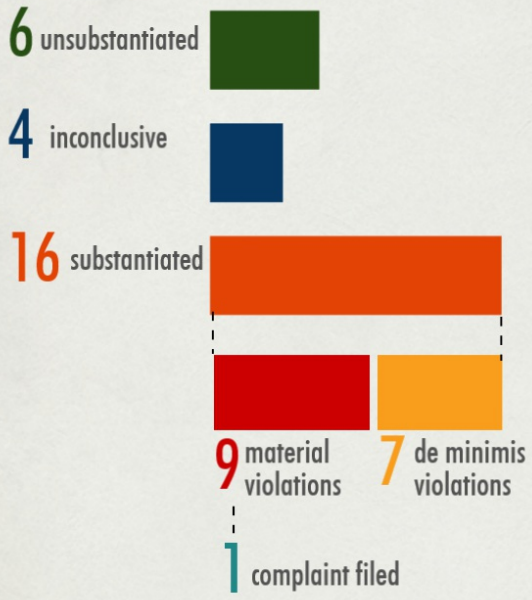
We conduct due diligence review for each allegation that appears to be in our jurisdiction to determine if there is merit to it. If we find merit, we conduct an investigation.

**29** investigations opened

## How many investigations did we complete?

**26** investigations completed

## What were the results of the investigations?




| | |
|---|---|
| unsubstantiated | we found sufficient evidence to indicate a violation did not occur |
| inconclusive | we did not find sufficient evidence to indicate whether a violation occurred |
| substantiated | we found sufficient evidence to indicate a violation occurred |
| de minimis violations | reports are not issued & management is notified via email |
| material violations | reports are issued |
| Ethics Review Commission complaint | complaints filed against executives, commissioners, and other employees not covered by Civil Service |

## What did we report this year?

| Department | Violation | Action |
|---|---|---|
| Development Services* | misuse of position & business with direct report | termination, MCSC upheld |
| Public Works* | misuse of resources & business with direct report | suspension & probation |
| Public Works* | favor from direct report | written reprimand |
| Development Services & Aviation | misuse of resources | written reprimand & training |
| Parks Department | conflict of interest | pending |
| Austin Energy & Human Resources | waste | process changes |
| Austin Water | misuse of resources & securing special privilege | pending |
| Neighborhood Housing | conflict of interest | pending |
| Neighborhood Housing | conflict of interest | pending by the Ethics Review Commission |

*cases completed in FY15 and issued in FY16