Fall 2012

From the Controller's Desk

Lackawanna County Controller Gary A. DiBileo

LACKAWANNA COUNTY
FRAUD, WASTE, & ABUSE HOTLINE
LACKAWANNA COUNTY CONTROLLER'S OFFICE

IT'S EASY!

How to Report Tips:

ONLINE Go to Lackawanna County's website at

www.lackawannacounty.org

Click on the Fraud, Waste, & Abuse logo, which will take you to the hotline web page and then to the online web form.

BY PHONE Call the confidential fraud, waste, and abuse hotline telephone number below:

570-963-6600

BY MAIL You can also mail your tips to a confidential address below:

Controller
Lackawanna County
Confidential
P.O. Box 254
Scranton, PA 18501

Welcome to a Reorganized Controller's Office

The first nine months of 2012 were busy as Controller Gary DiBileo initiated a reorganization of the office. Controller DiBileo named Mary Jo Sheridan as Deputy Controller and Reginald Mariani as Chief Internal Auditor. The accounts payable team and the internal auditing team were also re-organized in order to strengthen their effectiveness.

The accounts payable team audited more than 14,000 invoices through August 2012. These invoices were examined before payment could be made. For the month of August alone, the Accounts Payable team avoided duplicate payments, overpayments, and errors of over $65,000.

A recently completed internal audit of one county department identified $112,000 of accrued interest which will be transferred to the county's general fund. An additional $62,000 of dormant accrued fees was identified, of which approximately $52,000 can now be earmarked for that office's expenses, in lieu of being provided from county funds.

The Controller's office also implemented a fraud, waste, and abuse hotline, which is detailed further on the second page of this newsletter. This hotline will hopefully deter and detect the fraud, waste or abuse of taxpayer dollars.

The cooperation between the Controller' s office and the County Commissioners has led to the creation of a more effective hotel rental tax ordinance, which is estimated to generate more than $100,000 additional revenue for Lackawanna County.

Recently, the Controller submitted his 2013 budget to the Commissioners, saving $27,000 annually, or a 5% reduction from 2012.

The Controller, Deputy Controller, and Chief Internal Auditor initiated a risk assessment component into the development of an overall internal audit strategy so that resources are prioritized and maximized.

Since January, the internal audit team completed several audits, including but not limited to the Tax Claim office, the Courts' Jury Account, and the Sheriff's office. It also audited several magistrate district justice offices, and conducts monthly audits of the prison's canteen and inmate accounts.

Audits of the Records Improvement Committee and the Register of Wills are currently underway, as well as hotel tax audits.

Reorganized...and Moving to a New Location!

The Controller's office will be moving to a new location in the coming weeks. While the staff has enjoyed the hustle and bustle of its location on the first floor of the Electric City building, it's also looking forward to moving to the third floor of the Gateway Center on Jefferson Avenue. This location will be in close proximity to other county offices, including the Treasurer and the Re-corder of Deeds. It will also bring the Controller's office closer to the County Administration Building, where it routinely works with staff from the Revenue & Finance Department and the Purchasing Department.

Launching the Fraud, Waste, & Abuse Hotline

507 Linden Street
Scranton, PA 18503

Phone: 570-963-6726
Fax: 570-963-6489

As mentioned earlier, this past July, Controller Gary DiBileo initiated a fraud, waste, and abuse hotline for Lackawanna County employees and taxpayers. This hotline was created in cooperation with the District Attorney, the Commissioners, the local office of the FBI, the PA State Police at the Dunmore Barracks, and the PA State Auditor General.

The hotline is up and running and easy to use. All lines of communication are secure, including the telephone line, the web form email address, and the Post Office box. Only the Controller, the Deputy Controller, and the Controller's Solicitor have access to these lines.

It is easy to confidentially or anonymously report tips if you suspect or have knowledge of specific instances of any of the following:

1. Theft of money, equipment, or supplies;
2. Illegitimate invoices for goods or services or other false claims;
3. False reporting of hours worked;
4. False reporting of travel or other expense reimbursements;
5. Mismanagement of taxpayer dollars;
6. Gross disregard of county policies or procedures;
7. Any other suspected fraud, waste, or abuse.

Clearly Lackawanna County is committed to the prevention and prompt detection of fraud, waste, and abuse!

Accounting & Auditing Insights: *A Look at Some Common Terms & Questions*

Why doesn't the Controller's office just "rubber stamp" the invoices and cut those checks?

The Accounts Payable (AP) team audits invoices not only for proper amounts and calculations, but also for proper authorization before payment can be made. They also make sure invoices were recorded in the proper period. With the Commissioners' increased focus on budgets and cash flows, the AP team's work is essential to the process of providing accurate information. Working with the departments, the AP team helps to prevent duplicate payments, errors, overpayments, and erroneous payments of taxes.

What is meant by "theft of services?"

Theft of services is a legal term. It can mean a person has illegally received services without paying for them. It can also mean an employee has been paid for work that was not performed. The employee may have taken his or her time on the job and misappropriated it to something else. That something else may be the pursuit of a separate business while the employee is "on the clock" for his or her employer. It may also be the pursuit of personal interests during the course of the work day (outside of routine lunch time or breaks).