



## *Auditor's Office Fraud Hotline Summary Report of Fiscal Year 2022 Special Report*

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**What Was Performed?** A special report reviewing the Auditor's Office Fraud Hotline available to the public to provide tips on suspected fraud, waste, abuse, or other concerns related to the economy and efficiency of state government.

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**Why This Engagement?** In accordance with 29 Del. C. §2909, the State Auditor shall file written reports covering the Auditor's postaudits with the state agency concerned, the Governor, the General Assembly, the Attorney General and the Director of the Office of Management and Budget; and, if the Auditor deems necessary, the Auditor may present special reports to the General Assembly for consideration and action.

The audit reports shall set forth: (1) Whether all expenditures have been for the purpose authorized in the appropriations therefor; (2) Whether all receipts have been accounted for and paid into the State Treasury as required by law; (3) All illegal and unbusinesslike practices; (4) Recommendations for greater simplicity, accuracy, efficiency and economy; and (5) Such data, information and recommendations as the Auditor of Accounts may deem advisable and necessary.

This special report reviews the Auditor's Office's Fraud Hotline and improvements made over recent years to improve accessibility for tipsters, implement data analytics, and continue the Auditor's Office's commitment to the continual improvement process in state government.

### **What Was Found?**

- Increasing Accessibility Yields More Tips: The Auditor's addition of the web-based reporting on the Fraud Hotline in recent years increased the number of tips.
- Improving the Auditor's Office Communication: Efforts to communicate and educate the public about the Fraud Hotline led to an increase in fraud reporting.
- 2021 Was a Big Year for Fraud Reporting: Fraud tips tend to mirror current events, and popular issues of debate in 2021 including criminal justice related issues and concerns over Unemployment Insurance were frequent subjects of reports in 2021.
- State Agencies Subject to the Most Hotline Reports: The Dept. of Justice and the Dept. of Labor are the two highest reported agencies via the Fraud Hotline.
- Fraud Hotline Continues to be a Valuable Resource: The Fraud Hotline improves policy and procedures; deters fraud, waste, and abuse; boosts efficiency and effectiveness; uses report data to identify trends and address risks; strengthens internal controls; informs the audit plan; and makes actionable recommendations to management.

The Special Report, Auditor's Office Fraud Hotline Summary Report of Fiscal Year 2022, can be found [here](#).

For any questions regarding the attached report, please contact State Auditor Kathleen K. McGuinness at [Kathleen.McGuinness@delaware.gov](mailto:Kathleen.McGuinness@delaware.gov).

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