

**2025 Annual Report  
Fraud, Waste and Abuse  
Investigations**

**February 2026**

**Milwaukee County Office of the Comptroller  
Audit Services Division**

**Liz Sumner  
Milwaukee County Comptroller**



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Office of the Comptroller  
Audit Services Division

# Milwaukee County

Jennifer L. Folliard, Director of Audits  
Molly Pahl, Deputy Director of Audits

To the Honorable Chairwoman  
of the Board of Supervisors  
of the County of Milwaukee

February 12, 2026

We have completed an annual report concerning operation of the Audit Fraud Hotline and other related investigation activities undertaken by the Office of the Comptroller's Audit Services Division during 2025. Per Milwaukee County General Ordinance 34.095(h), the Audit Services Division is required to report annually to the County Executive and the County Board of Supervisors on the preceding year's activities related to fraud, waste and abuse.

The attached report includes a statistical summary of these activities, updates on prior investigations and brief descriptions of other fraud-related activities undertaken this year.

The nature of alleged improprieties presented to the Audit Services Division for investigation is often complex and continues to involve inter-agency cooperation with numerous governmental entities. As the Audit Services Division begins its 33rd year of operating the Hotline, the experience gained from working cooperatively with County departments and offices, the District Attorney's Office, the Office of the Sheriff, and other law enforcement agencies has improved the effectiveness of our efforts to combat fraud, waste and abuse in Milwaukee County government. We believe the attached report demonstrates the value of those efforts.

Please refer this report to the Committee on Audit.

Jennifer L. Folliard  
Director of Audits

#### Attachment

cc: Liz Sumner, Milwaukee County Comptroller  
Milwaukee County Board of Supervisors  
David Crowley, Milwaukee County Executive  
Mary Jo Meyers, Chief of Staff, County Executive's Office  
Kelly Bablitch, Chief of Staff, Milwaukee County Board  
Scott Brown, Corporation Counsel, Office of the Corporation Counsel  
Margo Franklin, Chief Human Resources Officer, Department of Human Resources  
Jim Moon, Deputy Comptroller, Office of the Comptroller  
Aaron Hertzberg, Director, Department of Administrative Services  
Steve Cady, Research & Policy Director, Office of the Comptroller  
Jane Geyer, Research Analyst, Office of the Comptroller  
Janelle Jensen, Director of Legislative Services, Office of the Milwaukee County Clerk  
Clarence Kinnard, Committee Coordinator, Office of the Milwaukee County Clerk

## Background

Since its establishment in 1993, the Audit Services Division (ASD) has administered the County's Fraud Hotline (Hotline) to provide concerned citizens and other individuals with a means to report suspected fraud, waste or abuse within County government. Callers are not required to identify themselves and may remain anonymous.

ASD is authorized by Wisconsin state statute § 59.225(i)<sup>1</sup> and Milwaukee County ordinance § 34.095 to investigate allegations of fraud, waste and abuse.

In April 2015, following the approval of both the County Executive and the County Board of Supervisors, ordinance § 34.095 took effect. Under the ordinance, County employees, officials, contractors, vendors, and program clients are required to cooperate in an investigation, ASD has increased access to records and premises, retaliation against people who cooperate with an investigation is prohibited and allegations or known instances of fraud, waste, and abuse are to be reported to ASD.

According to the Association of Certified Fraud Examiners,<sup>2</sup> tips are the primary method of fraud detection, accounting for 43% of initial fraud detection. This detection rate is more than three times greater than the next detection method (internal audit; 14%). Over 50% of tips originate from employees, while the public, vendors, and anonymous sources make up a significant portion as well. Organizations that operate hotlines, like Milwaukee County, are more likely to detect fraud through tips compared to those organizations without a hotline or reporting mechanism. In addition to the telephone hotline, fraud complaints can be reported using the County's dedicated email address and a web-based online reporting form<sup>3</sup>.

Each tip is assigned multiple classification categories to support the tracking and analysis of reported fraud, waste, and abuse in Milwaukee County. While a tip may be associated with more than one category, classifications are assigned based on relevance. In 2025, ASD reviewed and revised the classification categories to better define the scope and behaviors addressed by each complaint.

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<sup>1</sup> The comptroller shall perform all audit functions related to county government. The comptroller shall also have the duties and all the powers and responsibilities conferred upon the clerk as auditor under s. [59.47 \(1\)](#), and shall perform any additional duties and shall have any additional powers as are imposed and conferred upon him or her from time to time by resolution adopted by the board. Audit functions under this paragraph shall be performed in accordance with governmental auditing standards issued by the comptroller general of the United States and generally accepted auditing standards.

<sup>2</sup> *Occupational Fraud 2024: A Report to the Nations*. Copyright 2024 by Association of Certified Fraud Examiners, Inc.

<sup>3</sup> <https://county.milwaukee.gov/EN/Comptroller/Fraud-Waste-Abuse>



## Overview

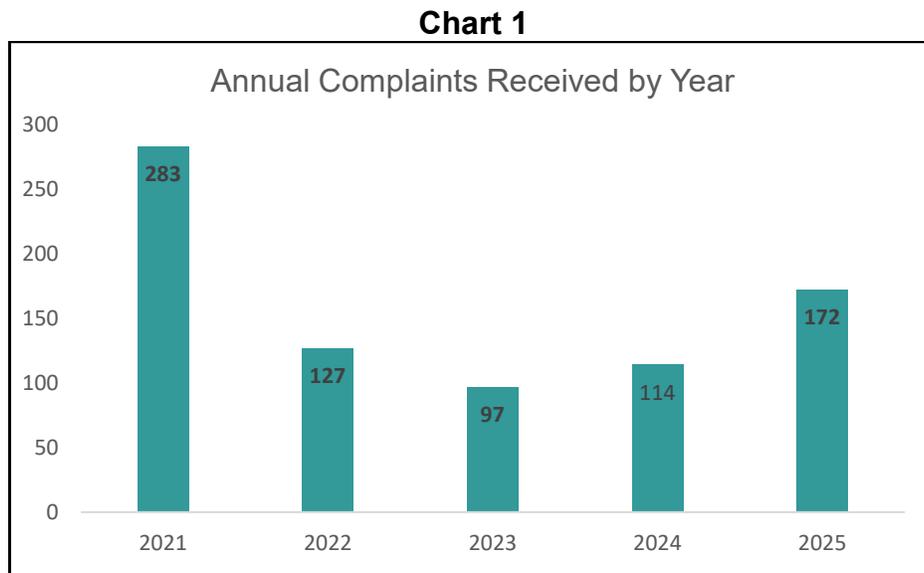
This annual report summarizes the Hotline activity from January 1, 2025, through December 31, 2025. The County's Fraud Hotline addresses complaints related to fraud, waste or abuse within County government. Complaints received outside of this scope were referred to the appropriate agencies.

This report does not provide a fiscal analysis of fraud, waste, or abuse and is not intended to be used for that purpose. Instead, its purpose is to provide information on how the Hotline is being utilized.

## Hotline Activity

In 2025, the Hotline received a total of 172 complaints (tips). The primary method for submitting tips were by phone, email, and the online reporting form, with approximately 42% of tips received via phone. For comparison, the Hotline recorded 114 tips in 2024, 97 tips in 2023, 127 tips in 2022, and 283 tips in 2021. Notably in 2021, 165 of the 283 recorded complaints were related to counterfeit County checks.

**Chart 1** displays the number of complaints received annually from 2021 to 2025.



Complaints received in 2025 are categorized by method of contact in which they were reported and are summarized in **Table 1**<sup>4</sup>. Complaints received by phone, webpage, and email were the most frequently used method of contact during 2025.

<sup>4</sup> Percentages may not total 100% due to rounding to whole numbers.

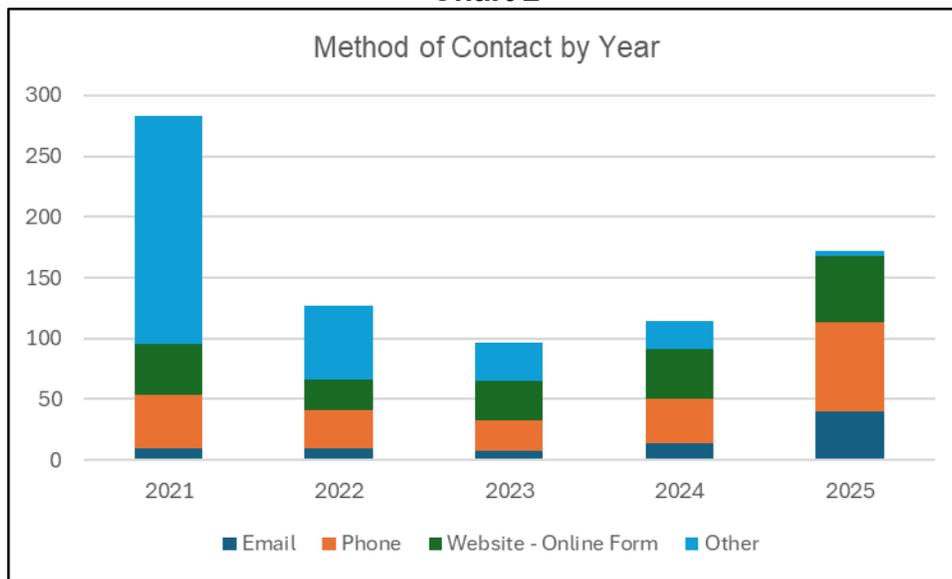


**Table 1**  
**2025 Summary of Contact Origin**

Contact Origin	Number of Complaints	Percent of Total
Phone	73	42%
Website - Online Form	55	32%
Email	40	23%
In-Person	2	1%
Mail	2	1%
<b>Total</b>	<b>172</b>	<b>100%</b>

**Chart 2** compares complaints by method of contact from 2021 through 2025. For 2021-2024, the “Other” category included complaints received through ASD audit work, County employees, fax, mail, personal conversations, or referrals from other government agencies. In 2025, ASD revised the method of contact categories to more accurately capture how complaints were submitted through the Hotline. As part of the revision some methods were discontinued while others remained unchanged. Currently 98% of contact is via email, phone, or the online website form.

**Chart 2**



All complaints are categorized by a complaint type to ensure accurate Hotline tracking, investigating, monitoring, and reporting. Complaint types are defined as follows:

- **Fraud:** gaining something of value through willful misrepresentation to obtain County assistance.
- **Waste:** any inefficient, unnecessary, or improper use of County resources.
- **Abuse:** improper, unethical or illegal use of a County employee for personal gain or



advantage for themselves or others.

- **County Inquiry:** includes a request for information or service.
- **Non-County:** involves complaints that do not involve Milwaukee County Government but may include other local and state agencies.
- **Other:** complaint does not fit other complaint types.

Table 2<sup>5</sup> presents a breakdown of complaints received by the Hotline in 2025 by category.

**Table 2**  
**2025 Complaint Categories**

<b>Complaint Type</b>	<b>Number of Complaints</b>	<b>Percent of Total</b>
Fraud	27	16%
Waste	6	3%
Abuse	19	11%
County Inquiry	0	0%
Non-County	110	64%
Other	10	6%
<b>Total</b>	<b>172</b>	<b>100%</b>

### **Action Taken**

When a complaint comes in, depending on the nature of the complaint, they are categorized as follows:

- **ASD Investigation:** complaint is sufficient to be opened as a case investigation.
- **Investigated, no further action warranted:** is when an initial investigation has been completed, and no further action is necessary.
- **Investigated and County Department Referral:** is when a preliminary investigation has been completed and now the matter is referred to the applicable department for further handling and follow-up.
- **Resolved:** occurs when a complaint has been addressed and no further action is necessary.
- **Referred:** is a direct referral to a more appropriate non-County government agency for further handling.
- **Provided Information:** information is provided to the reporting party, and ASD has

<sup>5</sup> Percentages may not total 100% due to rounding to whole numbers.



concluded that no further investigative action is warranted.

- **No Action Taken:** information received is inadequate or incomplete, ASD cannot proceed with the complaint.
- **Other:** Complaint has an action which does not meet the other actions.

Table 3<sup>6</sup> breaks down the action taken for complaints received during 2025.

**Table 3  
2025 Complaint Action Summary**

<b>Action Taken</b>	<b>Number of Complaints</b>	<b>Percent of Total</b>
ASD Investigation	2	1%
Investigated, no further action warranted	23	13%
Investigated and County Department Referral	4	2%
Referred	47	27%
Resolved	22	13%
Provided Information	39	23%
No Action Taken	27	16%
Other	8	5%
<b>Total</b>	<b>172</b>	<b>100%</b>

The Hotline concluded the 2025 reporting period with two cases remaining open and under active investigation.

### **Fraud Prevention – Counterfeit/Fraudulent Check Transactions**

In 2025, ASD recorded 20 altered checks that were fraudulently presented through U.S. Bank, compared to eight in 2024, 26 in 2023, 35 in 2022, 165 in 2021. For many years, the Milwaukee County Treasurer’s Office has participated in U.S. Bank’s Positive Pay program, which is a fraud prevention service designed to protect the County from check and ACH fraud. All fraudulently presented checks were identified and flagged by the Positive Pay system, resulting in no financial loss to the County. ASD continues to work with any department experiencing suspected fraudulent activity involving banking services.

### **Other Activity**

In addition to receiving and investigating allegations of fraud, waste and abuse, ASD personnel:

<sup>6</sup> Percentages may not total 100% due to rounding to whole numbers.



- Consult on performance audit fraud risk assessments in accordance with Generally Accepted Government Auditing Standards.
- Assist other local, state, and federal agencies in performing their duties related to investigating fraud, waste and abuse.
- By request, provide information for use by County departments and leadership to make better informed responses to issues of real or perceived instances of fraud, waste and abuse.

## Outreach

The fraud hotline telephone number is included on the payroll calendars which are annually printed by the Community Reintegration Center and distributed countywide to employees. Magnets with the fraud hotline telephone number and a QR code link to the ASD website are available, see **Figure 1**.

The Hotline continues to serve as a valuable resource for Milwaukee County employees, residents, etc. by providing a confidential channel to report fraud, waste, and abuse within County operations. The variety of complaints demonstrates the public's use of the Hotline, and ASD will continue its efforts to promote integrity and maintain public trust while investigating reported matters.

## Audit Services Division Mission Statement

*Through independent, objective and timely analysis of information, the Milwaukee County Audit Services Division assists both policy makers and program managers in providing high-quality services in a manner that is honest, efficient, effective and accountable to the citizens of Milwaukee County.*

Figure 1

