

Nevada controller creates Fraud Hotline

By Sean Whaley, Nevada News Bureau

CARSON CITY – Nevada State Controller Kim Wallin announced last week that a Fraud Hotline has been posted on her agency's website in order to assist the public and state employees in reporting questionable practices.

Wallin said the link will send information directly to her for review. The types of practices that can be brought to her agency's attention include tax fraud, Medicaid fraud and over-billing by government contractors.

"The Fraud Hotline link will be a way for the public and state employees to provide tips on fraudulent activities so we can crack down on scam artists and save taxpayer money," Wallin said. "The governor's website recently removed a similar link so I felt it was critical to take this responsibility on and make the link a feature of the Controller's website."

Mary-Sarah Kinner, a spokeswoman for the governor's office, said the fraud link on the previous state website did not migrate to the new website unveiled recently. But typing the word "fraud" into the state website search function generates the link as the first search result, which goes to the Fight Fraud website operated by the Nevada Department of Business and Industry, she said.

Wallin said that nationwide, Medicare, Medicaid, Earned Income Tax Credit and Unemployment payments account for \$87.5 billion in improper payments. The Association of Certified Fraud Examiners, in its "2010 Report to the Nations on Occupational Fraud and Abuse," estimated that the typical organization loses 5 percent of its annual revenue to fraud. Government organizations are the third most frequent victim of fraud

after banking and manufacturing.

Wallin said she has not had such a link on her website previously, but decided to add it when the link on the main state of Nevada webpage disappeared.

“It’s something that needs to be done, we have to do it,” she said. “And I think in one way it is probably a good thing ..., especially for employees reporting. They work for the governor, they don’t work for me. So that way their identities are protected and it is an impartial person looking at it.”

Wallin said she has been reviewing instances of potential fraud brought to her attention internally but has not had a fraud link previously.

The Controller’s office will promote the Fraud Hotline link through service providers and local governments. Each tip through the Hotline will be reviewed internally for potential investigation. Identities will be kept confidential.

The controller, one of the state’s six constitutional officers, is the chief fiscal officer and administers the state’s accounting system and debt collection program. The state Controller’s Office mission is to advance accountability, continuity, and efficiency in the state’s financial operations.