



**Fraud, Waste, and Abuse
Hotline Report
for the Year Ended
December 31, 2025**

Bill Christianson
City Comptroller

Adriana Molina
Audit Manager

April 2026

Table of Contents

Transmittal Letter	1
Introduction.....	2
Background	2
Hotline Activity – 2025	3
A. Number of Complaints	3
B. Types of Allegations and Complaints.....	4
C. Actions Taken.....	7
2025 Outcomes and Lessons Learned.....	10
Fraud, Waste and Abuse Hotline – Looking Ahead.....	12
Comptroller’s Acknowledgment of Receipt	13



Bill Christianson, CPFO
Comptroller

Charles Roedel, CPA, CIA
Deputy Comptroller

Toni Biscobing
Special Deputy Comptroller

Richard Bare, CPA
Special Deputy Comptroller

April 21st, 2026

Honorable Cavalier Johnson, Mayor
The Members of the Common Council
City of Milwaukee

Dear Mayor and Council Members:

Section 350-247 of the Code of Ordinances authorizes Internal Audit to manage the City of Milwaukee Fraud, Waste, and Abuse Hotline and requires the release of an annual report of Hotline statistics and activity for the year. Internal Audit has operated the City of Milwaukee Fraud, Waste, and Abuse Hotline since its inception in 2004. The enclosed report summarizes Hotline operations for the year ending December 31, 2025.

The Hotline continues to benefit the citizens of Milwaukee and City employees, by providing a confidential means to report potential fraud, waste, and abuse within City government. Complainants file a report via secure voicemail, email, or electronically through the City's Fraud, Waste, and Abuse Hotline webpage. The established follow-up process continues to timely review, referral, investigation and corrective action.

For the 2025 calendar year, the Hotline received 83 complaints, compared with 79 in 2024. Out of the 83 complaints, there were 14 complaints within the Hotline's scope with three substantiated.

Appreciation is expressed for the cooperation extended to Internal Audit's Hotline personnel by City Management and department staff.

Sincerely,

A handwritten signature in black ink, appearing to read 'Adriana Molina'.

Adriana Molina, CPA
Audit Manager

Introduction

Under Chapter 350-247 of the City of Milwaukee Code of Ordinances, the Internal Audit Division must present an annual report to the Common Council. This report summarizes how the Hotline was used in 2025, including the number and type of complaints received, actions taken in response, and the outcomes of investigations conducted and referred. Suspected fraud, waste, and/or abuse complaints may be reported via the Hotline telephone number, by email, through the City of Milwaukee website (online form), or by mail.

This report does not represent actual or potential dollar amounts related to fraud, waste, or abuse; and therefore, cannot be extrapolated and is not intended to be used for that purpose. Thus, no fiscal analysis is provided for reported issues. Rather, this report provides information about how the Hotline is being utilized.

Fraud, Waste and Abuse Hotline - Background

Chapter 350-247 of the City of Milwaukee Code of Ordinances established the Fraud, Waste, and Abuse Hotline under the management of the Internal Audit Division within the Comptroller's Office. The Hotline provides a way for City employees and members of the public to report alleged fraud, waste, or abuse in City operations in good faith. Its purpose is to support integrity, accountability, and public trust by promoting timely review, investigation, and corrective action when appropriate. The Internal Audit Division maintains complete documentation for all Hotline submissions to support accurate reporting, thorough review, and trend analysis.

The ordinance also includes a safe harbor provision for City employees who report concerns in good faith, protecting them from retaliation or loss of employment. It also permits complainants to submit concerns anonymously.

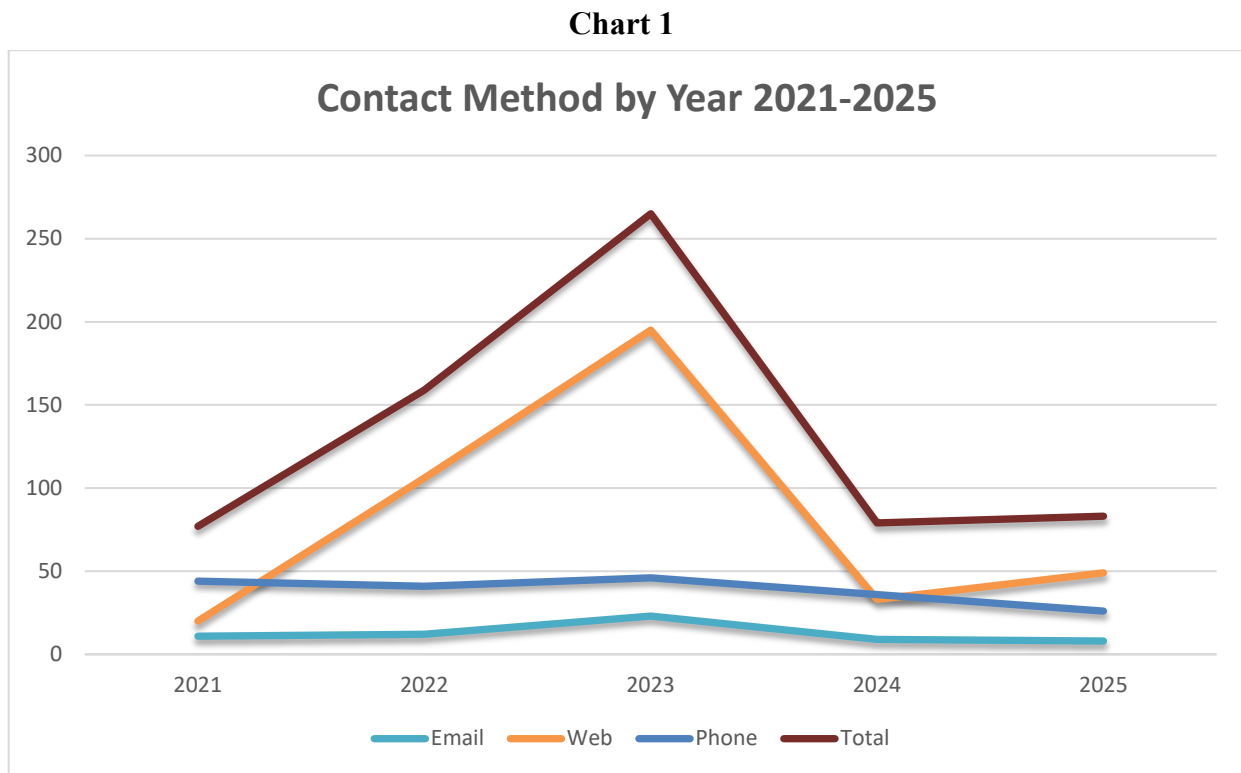
This report includes only complaints received and handled through the Hotline established under Chapter 350-247 and managed by the Internal Audit Division.

Fraud, Waste and Abuse Hotline Activity - 2025

A. Number of Complaints

In 2025, the Hotline received a total of 83 complaints, compared to 79 in 2024. The total volume remained relatively stable for actionable complaints within the Hotline’s scope going from 11 in 2024 to 14 in 2025, indicating that a moderately greater share of submissions fell within the Hotline’s scope. The Internal Audit division maintains a complete file for all submissions received by the Hotline to ensure compliance in handling complaints received and to identify possible trends. The most common methods of submission for Fraud, Waste and Abuse Hotline complaints are phone, email and submission through the Hotline’s website.

Chart 1 shows the number of submissions received, by contact method, from 2021 through 2025.



In May 2022, the Fraud Hotline reporting link was added to the “Click for Action” page on the City’s website, which was the main driver of increased complaints from 2021 to 2023. In September 2023, the Fraud Hotline was removed from the “Click for Action” page on the City’s website due to the significant

amount of service requests and non-City complaints being submitted. Since the removal of the link from the “Click for Action” page, there continues to be a decrease of out-of-scope cases. The removal has led residents to utilize “Click for Action” as intended, which then sends requests to departments directly. Submission volume remains well below the 2023 peak associated with prior “Click for Action” placement, suggesting more residents are getting their issues resolved through “Click for Action.”

B. Types of Allegations and Complaints

The Fraud, Waste and Abuse Hotline was established to provide residents and other interested people with a way to express concerns related to improper use of City resources. However, not all complaints received fell within the scope of the Hotline. All complaints received by the Hotline are evaluated and assigned as a complaint type to ensure they are properly recorded, investigated, monitored, and reported.

Complaint types falling within the scope of the Fraud, Waste and Abuse Hotline are defined as follows:

- **Fraud** means any intentional act or omission for personal gain designed to deprive the City of its resources or assets to which the individual or person is not entitled.
- **Waste and Inefficiency** means the careless expenditure of City funds or resources above and beyond the level that is reasonably required to meet the needs of the City, or the consumption or use of City resources that is not authorized.
- **Abuse, Misuse, and Misappropriation** means misuse of City property, equipment, facilities, or work time; improper use of authority; gross misconduct, including reckless disregard for safety, falsification of documents, misrepresentation, or attempts to financially defraud the City; and employee inefficiency or the improper use of one's position for private gain or advantage for himself or herself or any other person.

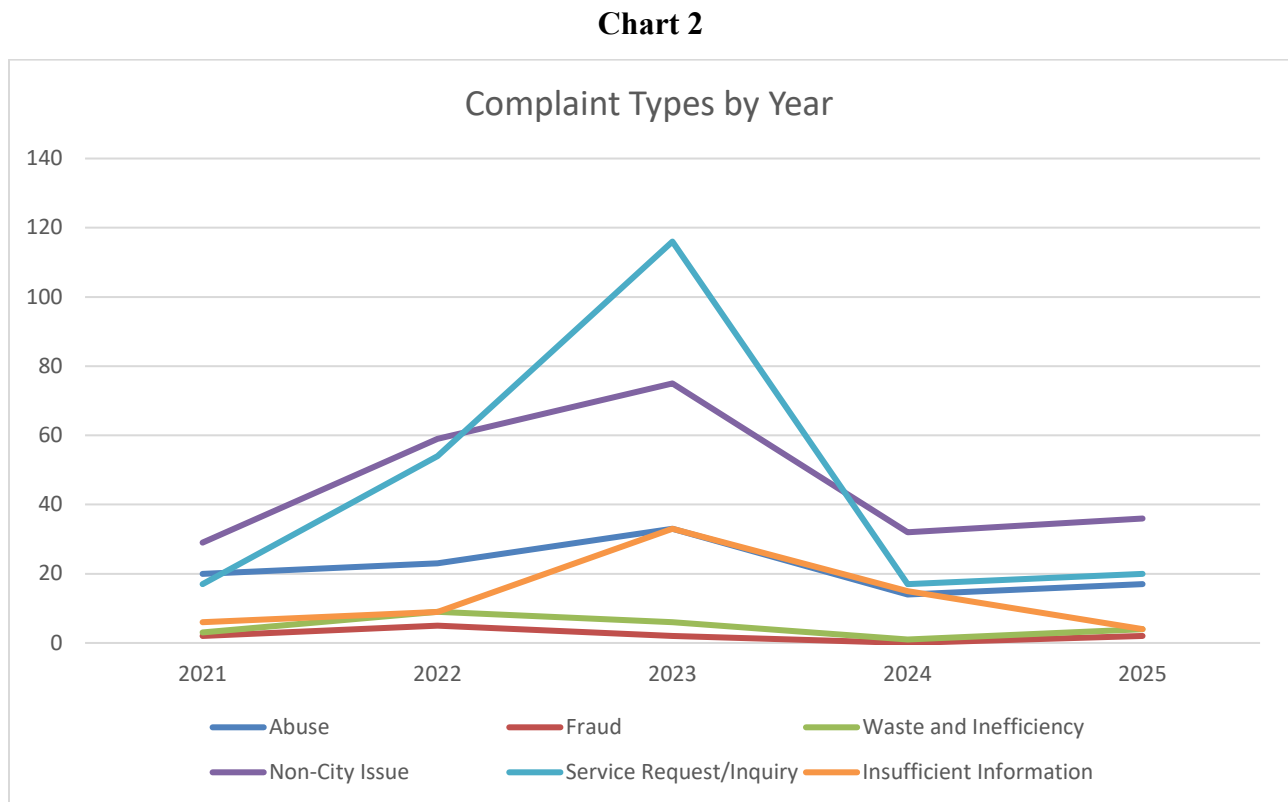
Complaint types falling outside the scope of the Fraud, Waste, and Abuse Hotline are defined as follows:

- **Service Request/Inquiry** include requests for information or services such as sanitation collection, snow removal, reports of properties in disrepair, and requests for law enforcement

non-emergency contact information.

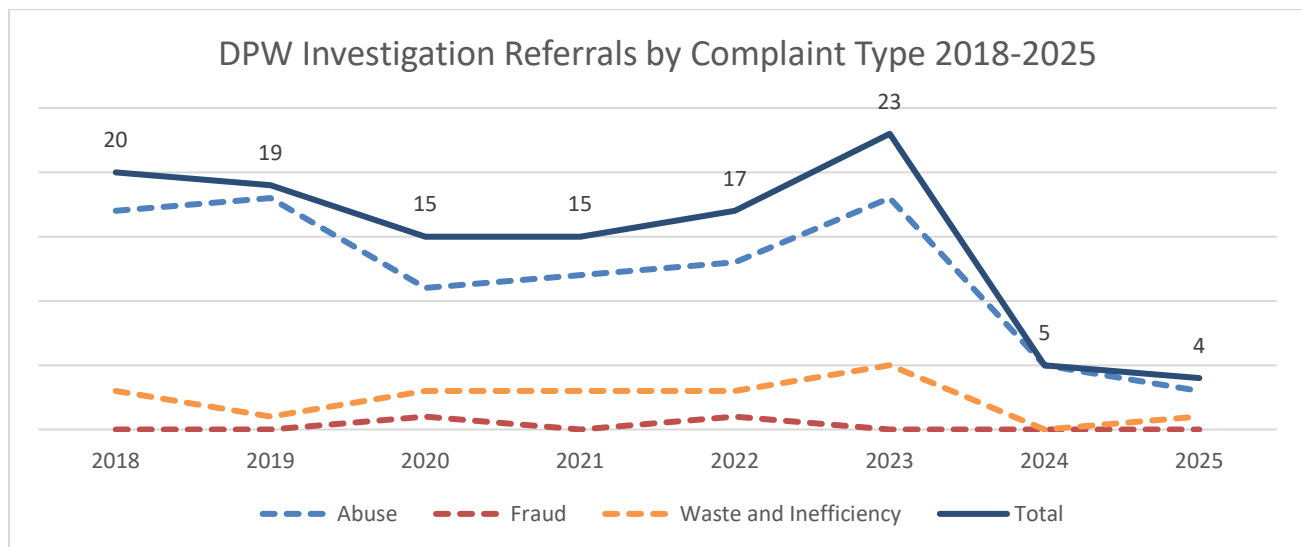
- **Non-City Issues** involve a complaint that requires referral to a different level of government or to an external agency. Examples include Milwaukee Public Schools, Milwaukee County, the State of Wisconsin, and the Federal Trade Commission’s Bureau of Consumer Protection.
- **Insufficient Information** are the complaints received that lack enough information to categorize the complaints and investigate. Complainant either does not leave contact information or does not respond to multiple communications for further information. Therefore, the complaints cannot be investigated further.

Chart 2 illustrates the breakdown of reported complaints received by the Hotline by category type from 2021 through 2025. Complaints that had enough information to categorize but not enough information to investigate were assigned complaint types based on the initial complaint.



The most common complaint type falling within the Hotline’s scope is Abuse, Misuse, and Misappropriation of City Assets. There were 17 Abuse, two Fraud, and four Waste & Inefficiency. This type of complaint has traditionally largely been driven by interactions between residents and DPW employees in the field, as DPW employees are highly visible to the public. **Chart 3** below shows DPW investigation referrals by complaint type from 2018 through 2025.

Chart 3



The types of cases resulting in investigation referrals to DPW were slowly declining from 2018 to 2021. This can be attributed to DPW management’s continued strengthening of accountability and oversight, which resulted in fewer DPW incidents leading to Hotline complaints. 2022 saw the introduction of “Click for Action” to the City and the Hotline’s information being included in “Click for Action,” which drove a significant amount of the volume of both complaints within the Hotline’s scope and outside the Hotline’s scope. When the Hotline was removed from “Click for Action” in 2023, both the number of complaints within the Hotline’s scope and outside the Hotline’s scope decreased. When comparing the number of complaints within the Hotline scope in 2024 and 2025 to the number of complaints within the Hotline scope prior to 2022, it appears as though the Hotline is receiving less complaints within the Hotline’s scope because more residents are satisfied that they can get resolution to their issues through “Click for Action” and DPW management has sustained their success in addressing employee behaviors that may lead to complaints.

C. Actions Taken

Of the 83 complaints received through the Fraud, Waste, and Abuse Hotline in 2025, 14 complaints fell within the Hotline's scope and were investigated. Internal Audit refers complaints to department management when the department is best positioned to conduct an objective review. Matters involving potentially criminal conduct may be referred to law enforcement. Internal Audit conducts investigations directly when it is best positioned to do so.

All submissions received by the Fraud, Waste and Abuse Hotline are addressed and the resulting actions within the Hotline's scope can be viewed through three primary categories – Internal Audit Investigated, Department Investigation Referrals, and Law Enforcement Referrals. Non-Fraud Hotline actions are tracked as Department Service Referrals, Non-City Referrals, and Insufficient Information to Investigate. Below are the definitions for all categories of actions.

Complaints falling within the scope of the Hotline are acted on as follows:

- **Internal Audit Investigated** is when Hotline operators investigate the case directly.
- **Department Investigated Referral** is a direct referral to the applicable department/management for case investigation and follow-up.
- **Law Enforcement Referral** is a referral to the Milwaukee Police Department.

Complaints falling outside the scope of the Hotline are acted on as follows:

- **Department Service Referral** complainants are given "Call for Action" and "Click for Action" information or other referral information when appropriate.
- **Non-City Referrals** are situations when Hotline staff provides the complainant the best contact information available to connect the complainant with non-City resources for non-City issues.
- **Insufficient Information to Investigate** results in no further action that can be taken.

Chart 4 presents actions taken by year from 2021 through 2025 for cases within the Hotline’s scope. The short-term effect of Hotline information being on “Click for Action” is seen in 2022 and 2023, but the long-term effect of the City implementing “Click for Action” in 2022 is seen when comparing 2024 and 2025 with 2021. It appears residents can get satisfactory resolution to their issues through “Click for Action” without feeling the need to report issues to the Hotline.

Chart 4

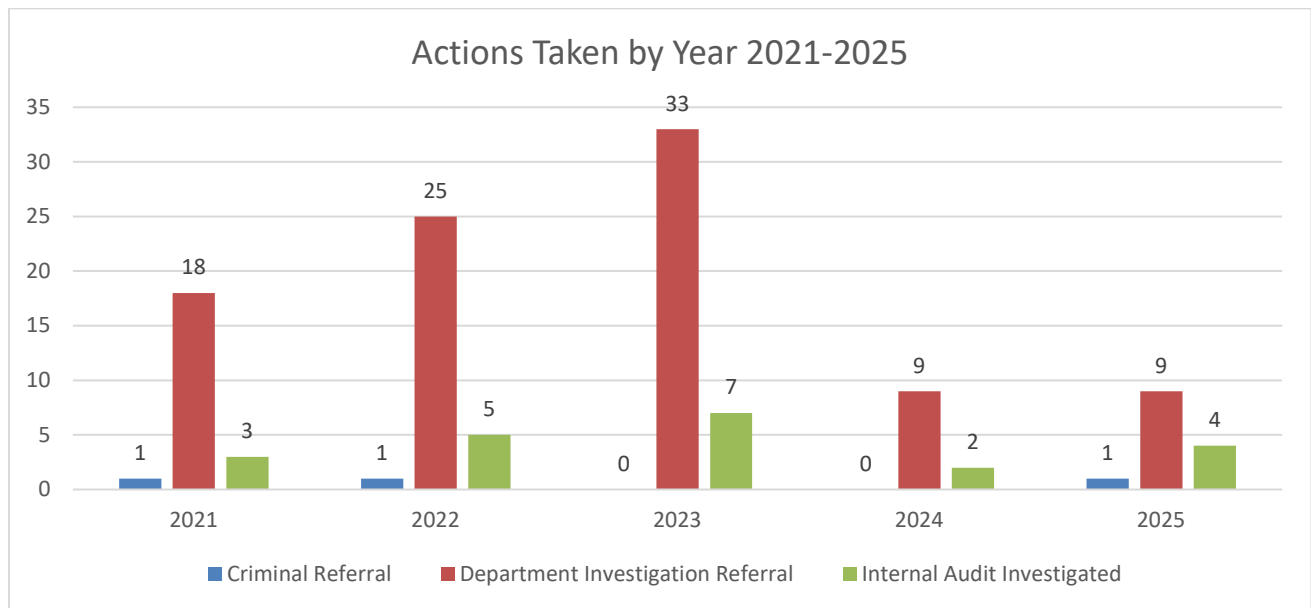
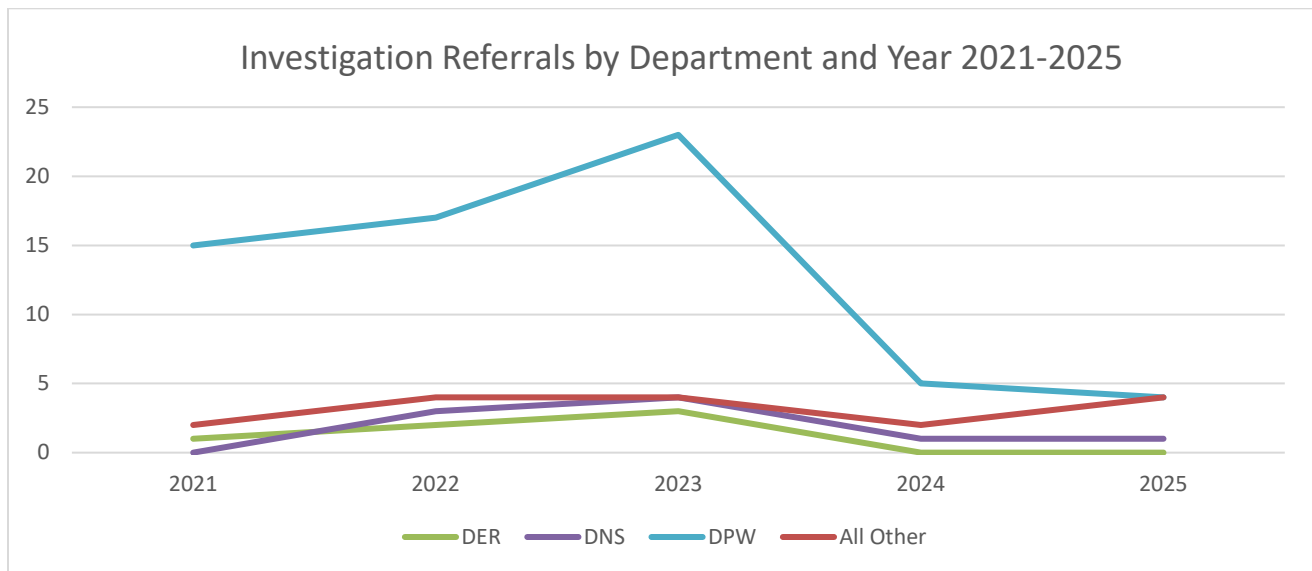


Chart 5 identifies the departments that received Hotline referrals from 2021 through 2025. Since the Hotline link was removed from the City’s “Click for Action” page in September 2023 and as DPW has continued to address issues with employees, referral patterns have become more balanced across departments. In 2025, referrals were distributed across multiple departments rather than concentrated in one service area.

Chart 5

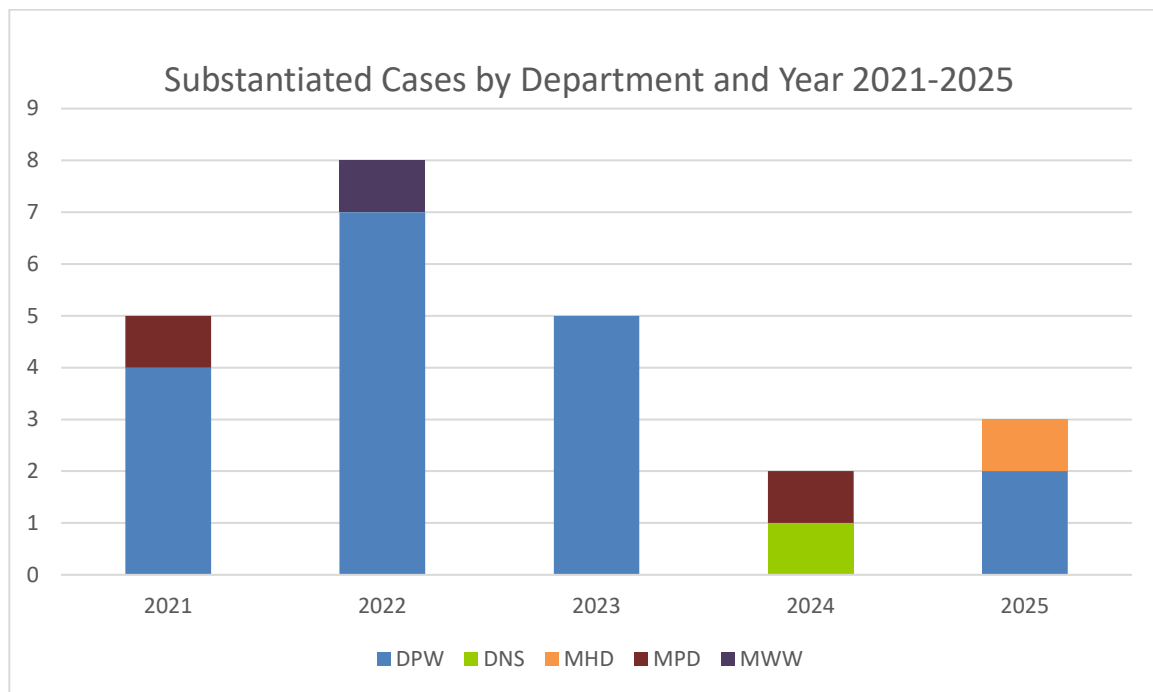


2025 Outcomes and Lessons Learned

Once an investigation is completed, the complaint is classified as either substantiated or unsubstantiated. Unsubstantiated complaints are those for which the allegation is not supported, or the available evidence is insufficient to confirm fraud, waste, or abuse of City resources.

Of the 14 Fraud, Waste and Abuse Hotline submissions that warranted investigation, three were ultimately substantiated. Two cases involved employee conduct and were addressed through retraining and management action. The third substantiated complaint in 2025 involved workplace safety at a City of Milwaukee Health Department facility and resulted in additional safety training, as well as the testing and successful remediation of potential health hazards, before year-end. **Chart 6** compares substantiated complaints by department from 2021 through 2025.

Chart 6



If a complaint is substantiated, the appropriate corrective action is determined and implemented. For complaints involving employee conduct, department management and/or Internal Audit determine the

appropriate response based on the facts and circumstances. Corrective actions may include procedural changes, employee retraining, counseling, remediation, or disciplinary action.

Chart 7

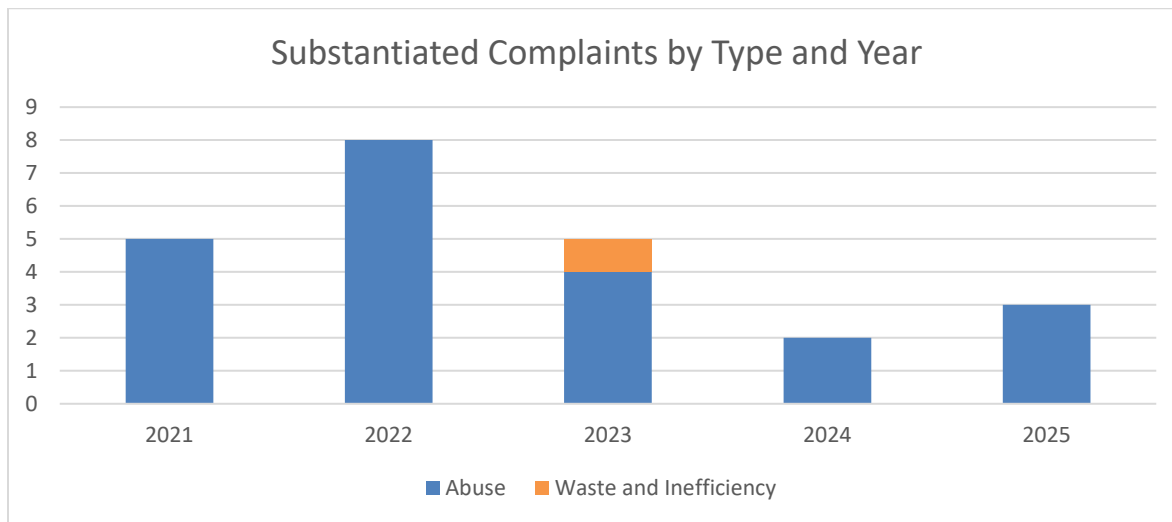


Chart 7 shows substantiated complaints by type and year. In 2025, the report data shows three substantiated complaints, all in the abuse category. Substantiated cases remained limited in number, but each resulted in corrective action.

While many Hotline submissions do not warrant formal investigation, each complaint is reviewed and addressed. This work supports a responsive and accountable City government by giving employees and residents a reliable way to raise concerns and receive guidance, referral, or follow-up as appropriate. The Hotline team continues to strengthen internal resources and coordination with City departments and external partners to improve service and support effective resolution of concerns.

Fraud, Waste and Abuse Hotline – Looking Ahead

In 2026, the team will continue expanding collaboration with local and regional partners to strengthen referral pathways, improve coordination, and increase awareness of related services available to residents. The Fraud, Waste, and Abuse Hotline remains an important tool for promoting efficiency, supporting continuous improvement in City operations, and improving the experience of employees and residents. The Internal Audit Hotline team applies these same principles in administering the program.



Bill Christianson, CPFO
Comptroller

Charles Roedel, CPA, CIA
Deputy Comptroller

Toni Biscobing
Special Deputy Comptroller

Richard Bare, CPA
Special Deputy Comptroller

April 21st, 2026

Honorable Cavalier Johnson, Mayor
The Members of the Common Council
City of Milwaukee

Dear Mayor and Council Members:

With this letter, the Office of the City Comptroller acknowledges receipt of the preceding report, which summarizes the activities of the City's Fraud, Waste, and Abuse Hotline (Hotline) for the year ending December 31, 2025. I have read the report and support the activities detailed within.

The City Comptroller was not involved in any portion of the work conducted in connection with the 2025 Hotline functions. At all times, the Internal Audit Division worked autonomously in order to carry out Hotline activities.

Sincerely,


 **Bill Christianson, CPFO**
Comptroller