



# Washington State Auditor's Office

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## Whistleblower Investigation Report

# Department of Social and Health Services

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October 6, 2016

Patricia Lashway, Acting Secretary  
Department of Social and Health Services

### Report on Whistleblower Investigation

Attached is the official report on Whistleblower Case No. 16-010 at the Department of Social and Health Services.

The State Auditor's Office received an assertion of improper governmental activity at the Agency. This assertion was submitted to us under the provisions of Chapter 42.40 of the Revised Code of Washington, the Whistleblower Act. We have investigated the assertion independently and objectively through interviews and by reviewing relevant documents. This report contains the result of our investigation.

Questions about this report should be directed to Whistleblower Manager Jim Brownell at (360) 725-5352.

Sincerely,

TROY KELLEY  
STATE AUDITOR  
OLYMPIA, WA

cc: Andrew Colvin, Discovery/Ethics Administrator  
Governor Jay Inslee  
Kate Reynolds, Executive Director, Executive Ethics Board  
Cheri Elliott, Lead Investigator

# WHISTLEBLOWER INVESTIGATION REPORT

## Assertion and results

Our Office received a whistleblower complaint asserting a Department of Social and Health Services (Department) supervisor (subject) gave another employee food vouchers intended for clients.

We found no reasonable cause to believe an improper governmental action occurred.

## Background

At the subject's office, Department staff have access to vouchers that may be used by clients at two fast food restaurant chains. The vouchers consist of the original and two carbon copies and are signed out by a social worker, who also signs the voucher to be used by the client. In some instances the client is given the voucher to use later. In all situations the social worker or client is supposed to return to the office both carbon copies and the receipt from the restaurant. Each voucher has a monetary value up to \$7.

## About the Investigation

Our Office examined the voucher logs and the vouchers restaurants remitted to the Department for reimbursement and interviewed witnesses.

We found the voucher logs to be in total disarray. Vouchers were not signed out in sequential order and were not signed out on the log. We also found vouchers with signatures that did not match the social worker's signature. We determined which vouchers were not signed out by comparing the logs to remitted vouchers.

Witnesses explained that the log was kept at the reception desk, and the vouchers were kept in a drawer near reception, accessible to everyone in the office. Additional vouchers were kept in the safe. There were no policies in place that described how vouchers were to be signed out nor any procedures to track voucher use.

In response to the condition of the logs, the subject said no attention was paid to the order of the vouchers – if the drawer needed to be restocked someone would retrieve vouchers from the safe without ensuring the new bundle was in sequential order with the last. She said all of the vouchers should have been signed out on the log, but the after-hours crew tended to be more lax with this requirement.

The after-hours crew is staffed by one supervisor and there are no administrative staff available during those hours to ensure the vouchers are always signed out. We spoke with an after-hours crew manager who explained that the after-hours crew is very busy finishing up things that could not be concluded during normal business hours and with working new cases that arise after hours.

She said worrying about checking out the vouchers and returning carbon copies and receipts is not a priority, which is why the after-hours crew rarely use them.

Regarding the signature discrepancies on some vouchers, two social workers verified that although their names were signed on the vouchers, the signatures were not theirs. Neither could identify who may have signed the vouchers.

Witnesses explained there are times when a client comes into the office for a food voucher and their social worker is not in the office. When this occurs, either the social worker's supervisor or the social worker of the day will sign out the voucher. According to witnesses, administrative staff, which includes the receptionist, should not sign out or sign the vouchers. However, the subject identified signatures she believed belong to a former receptionist.

The subject said that she inherited this system when she began working in this office, but it was no different in the other offices she had worked.

Since a number of vouchers had not been remitted for payment, we were unable to determine whether those vouchers were used as intended. Because the vouchers may have been signed by someone other than the person whose name was on the voucher, we could not determine who actually used the vouchers.

Therefore, we found no reasonable cause to believe an improper governmental action occurred.

## **Recommendations**

We recommend the Department improve its internal controls and establish policies and procedures to ensure:

- Vouchers are consistently signed out.
- One of the two carbon copies remains in the office.
- Remitted vouchers are reconciled to the log on a monthly basis.

## **Department's Response**

*We have reviewed the report and have outlined the following steps to ensure appropriate oversight of the food coupon process.*

- *An audit QA/process was put in place several months ago for Region 2 and now that the Whistleblower investigation is complete, that process will include the subject's office.*
- *Vouchers will be monitored closely. They will be locked in a safe at all times. Only Reception staff and the Office Manager are authorized to distribute the coupons and will ensure all assigned coupons are logged out.*

## **State Auditor's Office Concluding Remarks**

We thank Department officials and personnel for their assistance and cooperation during the investigation.

## WHISTLEBLOWER INVESTIGATION CRITERIA

We came to our determination in this investigation by evaluating the facts against the criteria below:

### RCW 42.52.160 Use of persons, money or property for private gain

- (1) No state officer or state employee may employ or use any person, money, or property under the officer's or employee's official control or direction, or in his or her official custody, for the private benefit or gain of the officer, employee, or another.