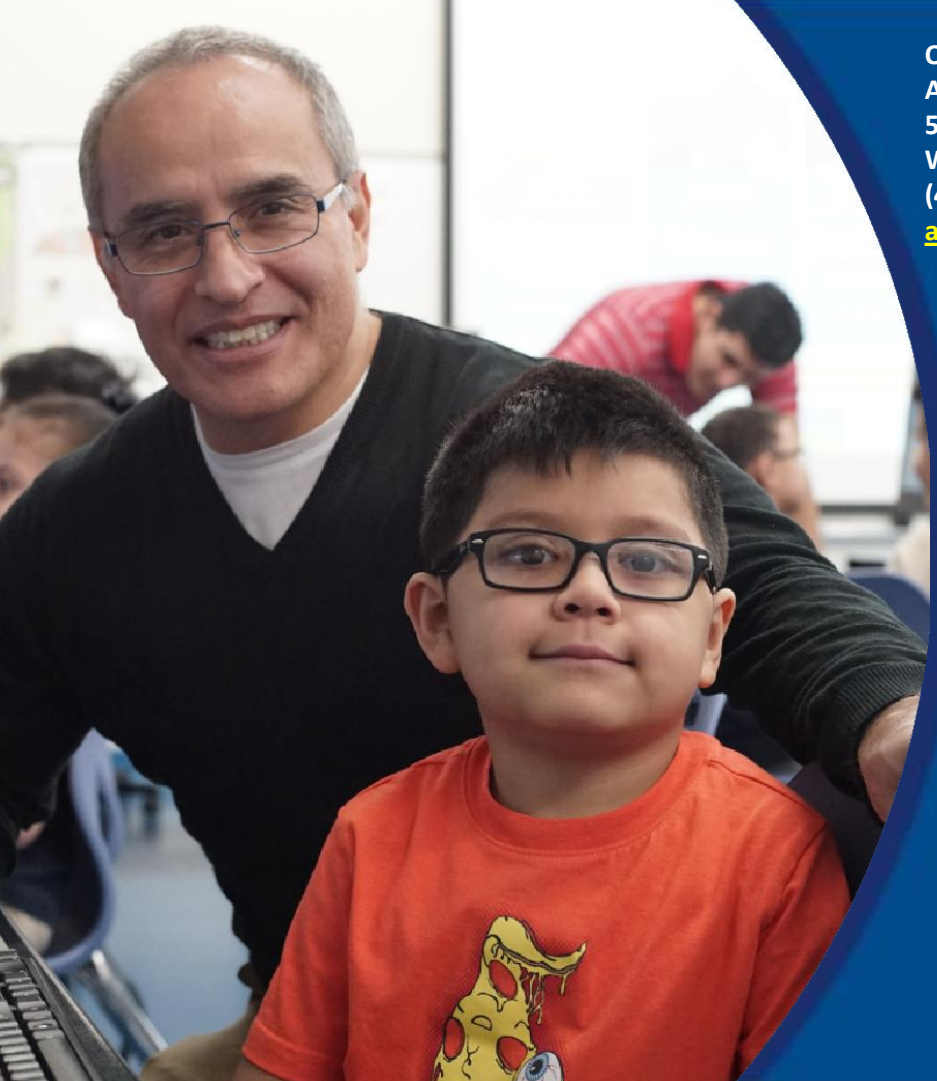


Office of Accountability & Efficiency
Audit Services
5225 W. Vliet Street, Milwaukee, WI 53208
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MILWAUKEE PUBLIC SCHOOLS

Audit Services Investigation Process

December 17, 2024

Audit Services

Matthew J. Chason, Senior Director

Paul E. Geib, Chief Auditor

COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY QUALITY STANDARDS FOR INVESTIGATIONS

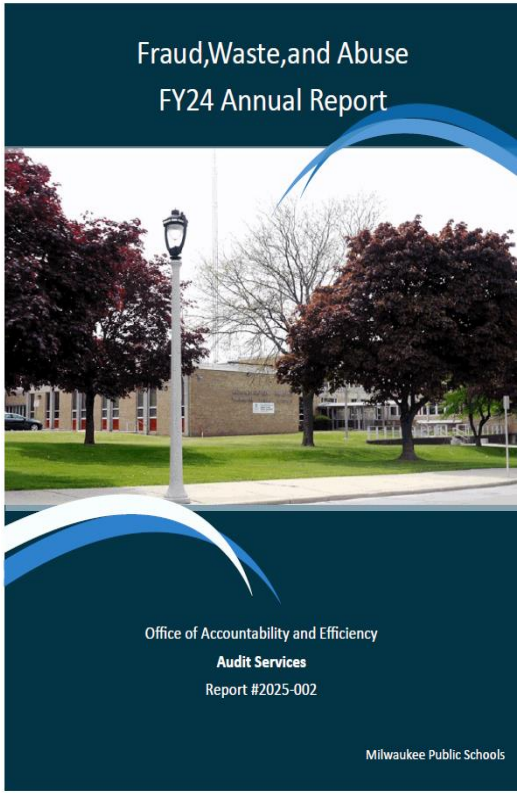
Council of the
INSPECTORS GENERAL
on INTEGRITY and EFFICIENCY

QUALITY STANDARDS FOR INVESTIGATIONS

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INVESTIGATION PROCESS EXPLAINED

- The Office of Accountability and Efficiency-Audit Services Maintains a Fraud Hotline that provides employees, citizens, and other interested individuals a means to confidentially or anonymously report suspected instances of fraud, waste and abuse at MPS.
- The Fraud Hotline has reduced losses, improved the protection of MPS assets, and assisted in recovery of funds to MPS.
- When complaints are received through the Fraud Hotline reporting process, Audit Services follows documented investigative steps and these investigations can result in referrals to the Administration for their follow up, and referrals to law enforcement agencies.

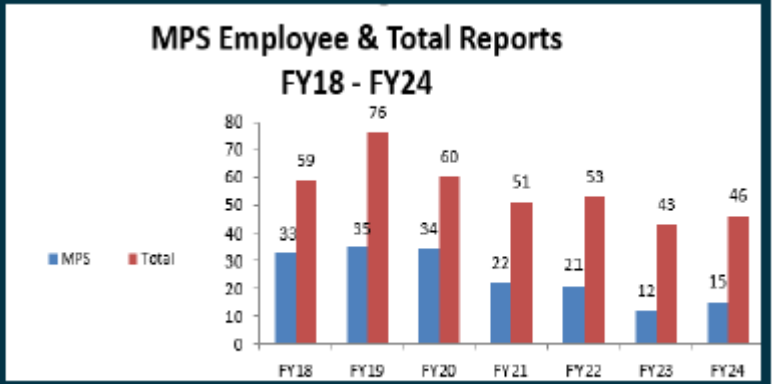


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In FY25 we are on pace to exceed the record number of complaints received in FY19

Number of Reports

There were 46 complaints of suspected fraud, waste, and abuse in FY24. Of these, 33% were reported by MPS employees.



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INDEPENDENCE AND AUTHORITY

INDEPENDENCE REQUIREMENTS

- CIGIE Quality Standards for Investigations require independence as stated in Section B-Independence. *"In all matters relating to investigative work, the investigative organization must be free, both in fact and appearance, from impairments to independence; must be organizationally independent; and must maintain an independent attitude.*
- This standard places upon agencies, investigative organizations, and investigators the responsibility of maintaining independence, so that decisions used in obtaining evidence, conducting interviews, and making recommendations will be impartial and will be viewed as impartial by knowledgeable third parties.

INVESTIGATION PROCESS

- The independent review by OAE- Audit Services begins with an evaluation of the extent to which an investigation is warranted. When an investigation is warranted, OAE-Audit Services will conduct the investigation following Council of the Inspectors General on Integrity and Efficiency Quality Standards For Investigations.
- A confidential written report is issued at the conclusion of the investigation process to the Administration. If the investigation identifies potential criminal conduct, these confidential reports are also provided to law enforcement agencies, including the Milwaukee County District Attorney's Office, the local FBI office, the United States Attorney General and the IRS Criminal Investigation Unit

POLICY AND PROCEDURE 6.38

- Administrative Policy and Procedure 6.38 was approved by the Board on June 29, 2017. This Policy requires all Milwaukee Public School officials, chiefs, directors, and managers to report any instances of suspected theft, fraud, waste, abuse, or other illegal or unethical behavior upon becoming aware of such activity within the Milwaukee Public Schools.
- On an annual basis, the OAE-Audit Services will submit to the MBSD and the Superintendent a report describing the activities related to investigations that occurred in the preceding year. These reports will also be available to the general public on the MPS main webpage.

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AUDITING VERSUS INVESTIGATING

- It is important for Board members to understand that auditing and investigating are two separate functions that have in common, independence.
- Audits are not investigations and investigations are not audits however. Auditing is generally looking at systems to ascertain compliance with operational standards. Investigating is generally looking at incidents to ascertain who and/or what was responsible.
- These are distinct and vital functions in a large organization, an absence of either function would be, in itself, an additional area of risk.

All data as of May 10, 2023

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