



GOOD GOVERNMENT

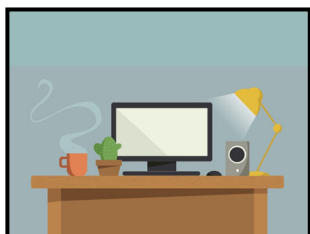
Committed to Honesty and Integrity in City Government

Kamau C. Marable — Editor-In-Chief

Spring 2023

In this issue:

- ◆ From the Desk of the IG...1
- ◆ Employee Spotlight...2
- ◆ Red Flags of Public Corruption...3
- ◆ Around the Inspector General World...4
- ◆ Scam Alert...5
- ◆ In The Media...6



FROM THE DESK OF THE IG

Perception of the Past Today and Attitude Towards the Future

Our past and aspirations define who we are today. Therefore, what we do today will eventually define who we become tomorrow. No matter how dark or heavy your past may have been, if you do not nurture your hope today, your past, present and future will likely remain as is.

More importantly, without any action today, tomorrow will remain an intangible illusion. So, do not look back to despair, otherwise, you may find yourself stuck, wallowing in the perpetual past, which you helped shape and create. Look back only to sort what you must not repeat today. Take and build today from what you've learned in the past for tomorrow's sake.



Life happens to all living beings. Life is also not equal or fair to anyone, because everyone's perception and attitude are not same. Two people can look at the same object, but what is perceived by each person may be different. Likewise, two people can encounter the same experience, but the resulting attitude towards the experience may differ for each person. Our perception can affect the reality we see and our path into the future. So, let's take the best of our past and polish them today so that it will shine tomorrow.



IG Ellen Ha

Exemplary Honesty of a Former Office of Inspector General Employee

By Edyth Porter-Stanley

The City of Detroit Charter charges the Office of Inspector General with the task of ensuring honesty and integrity within City government. Recent actions of a former OIG staff member, Tracey Neal, represented the highest form of integrity, honesty and good stewardship. When she received an unexpected payment from the City, she notified the OIG and asked whether anyone was aware of the payment. The OIG researched the payment and determined that it was not valid. Admirably, Ms. Neal returned the payment.

It would have been very easy for Ms. Neal to keep the money. But she knew there was no logical explanation for the payment. So, she did the right thing. The OIG is in no way surprised by and very proud to recognize the honesty of our former coworker. Every current and prior City employee as well as every citizen and visitor to the City of Detroit should be as steadfast and faithful in doing what is right. With the utmost respect, we thank you Tracy Neal for being a shining example to us all.





GOOD GOVERNMENT

Committed to Honesty and Integrity in City Government

EMPLOYEE SPOTLIGHT

MEET...Jennifer

By Beverly Murray



Jennifer Bentley

Tell me about yourself and your family.

I'm from Michigan, originally Owosso outside of Flint. I have one sister that is six years younger than me. My sister is great. She has two kids, so I have two nieces. My dad was an auto worker for his whole life. I'm married, I have been married for almost 11 years to Lindsey, who I met while I was in law school in Pittsburgh. I have two dogs and a kitten.

How would you describe your role with the OIG?

I am one of the attorneys for the office. In addition to doing investigations, which typically includes debarment investigations, I just make sure that we are in compliance with our SOP and the Charter. I also provide advice to the IG on various matters when she needs me to.

What do you love most about your job?

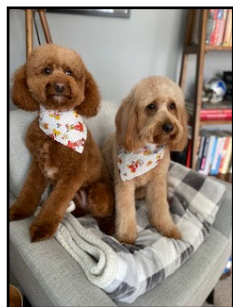
I like that this is the type of job where you feel like you can make a small difference for people. I like my coworkers. It's an environment where people feel like they can express their opinions without judgment everybody works well together. It's always something new or constantly coming up and things that we've never had to deal with before, so it's always a new challenge.

What would your perfect weekend look like?

Getting out of my house. Being able to just relax with Lindsay and my pets. Play with the dogs and the cat.

What is the biggest challenge that you've faced since joining the team?

I feel like the biggest challenge is just really a lack of understanding of what we do. People feel like we're out to get them or that we have some type of agenda but that's not really the case at all. We just want to make sure the city's operating at its best and that people are following the rules. There's this misconception that we're just out to punish people or that we make people lose their jobs, which is not accurate. We only make recommendations. The only thing we really can do on our own is debar people. I think we really need to educate people more about what our office does.



Finley and Lucy



Jennifer and Lindsay

What's something surprising that not many people know about you?

I used to be a teacher, which includes teaching seventh grade. I taught at Durfee with Detroit Public Schools and then I taught and Arlington, Virginia. While I was teaching in Arlington, I was a varsity softball coach and I coached JV Girls basketball.

Do you have any Creative outlets or interests?

I like to paint and draw. Painting is mostly like oil-based paints, drawing pencil, or ink.



GiGi

What's a cause you're passionate about?

I like to volunteer in my community. One place I volunteer is the Ferndale Housing Commission and our focus is affordable housing. That's something I think is really important. People need to have quality, safe and stable housing in order to feel safe and secure and be a productive part of society.

What type of books, movies or television shows do you enjoy?

Well, I love true crime. Or those types of dramas. I also like to read historical fiction. I was a history teacher, so historically based books I find very interesting and entertaining. My favorite TV show is The Office. I've probably watched all seven seasons and seen every episode at least seven times. I like it because it's funny, but it deals with real issues, but in a sarcastic and funny way.



GOOD GOVERNMENT

Committed to Honesty and Integrity in City Government

RED FLAGS OF PUBLIC CORRUPTION



Improper Charges Red Flags

By Jennifer Bentley

Cost Mischarging is an improper overcharge to the City for goods and services. It occurs when the contractor charges the City for costs which are not reasonable, allowable, or allocated directly or indirectly to the contract. The contractor may try to hide the improper costs by hiding them in accounts that are not closely monitored, such as general supplies, or misclassifying them as allowable costs.

Red Flags May Include:

- ❏ Corporate overhead costs being billed as direct costs to the City.
- ❏ Timecards revised to show less information from technical staff or contractors.
- ❏ Destroyed or hidden original timecards.
- ❏ False claims being submitted for payment.
- ❏ “Ghost employees” that no longer or never did work on the contract are included in claims.
- ❏ Actual costs for goods are inflated beyond what is allowed in the contract.

Fictitious Vendor Fraud may occur when a public servant with procurement responsibilities submits a payment request from a non-existent vendor or an actual vendor that never delivered any goods or services to the City. This fraud may or may not involve an actual vendor. This type of scheme may flourish when there is lack of oversight.

Red Flags May Include:

- ❏ The vendor’s address or phone number is non-existent and is not on the approved vendor list.
- ❏ The vendor’s address or phone number is the same as that of a public servant or the relative of a City employee.
- ❏ Multiple vendors have the same address or contact information.
- ❏ Payments are provided without invoices or an existing contract.
- ❏ The invoiced goods cannot be found and the services cannot be verified.

As always, these red flags should not be taken alone as evidence that fraud is occurring. However, please contact the OIG if you see any of these red flags.



GOOD GOVERNMENT

Committed to Honesty and Integrity in City Government

AROUND THE INSPECTOR GENERAL WORLD



Fake Clients With Non-Existent Disabilities

By Kelechi Akinbosede



The State of Georgia's Office of Inspector General (OIG) investigated the actions of a Georgia Vocational Rehabilitation Agency (GVRA) counselor finding that over the course of four years, she created fake disability clients to steal state tuition benefits of approximately \$1.3 million. The counselor also stole at least seven computers with various accessories worth approximately \$32,000.

The GVRA is a federally funded program administered by the U.S. Department of Education that offers grant money to assist states to provide services to individuals with disabilities. Between 2017 and 2020, the GVRA received at least \$100 million in federal funds annually to help people with disabilities find and maintain employment, including by providing funding and tuition assistance for college education. To obtain tuition assistance, a client was required to provide the GVRA with documentation to support obtaining GVRA funds, including medical records demonstrating a disability related to employment, a driver's license, proof of registration for classes, an financial aid information. After receiving the information, the client's GVRA counselor reviewed the documentation and, if the counselor approved the request for tuition assistance, a check was mailed to the client for the requested educational expenses.

Karen Lyke was a GVRA counselor in its Norcross Georgia office from June 2015 to March 2019. She was assigned to assist GVRA clients, including helping them to obtain tuition assistance. The OIG's investigation found that from approximately May 2016 to November 2020, Ms. Lyke and a relative conspired to steal money from the GVRA by claiming educational expenses for approximately 13 fake students. Ms. Lyke used the names of actual friends and relatives as the names of the fake disabled students seeking tuition assistance from the GVRA by creating fake medical records to make it appear that the approximately 13 fake students qualified for tuition assistance from the GVRA. She claimed that these fake students suffered from disabilities or illnesses like AIDS, cancer, psychosocial impairments, or muscular dystrophy. As proof of identification, Ms. Lyke provided the GVRA with manufactured images of fake driver's licenses that listed the names of friends and relatives. Ms. Lyke used photo-editing software to alter authentic college transcripts, financial aid reports, and proofs of registration from actual GVRA clients to support claims that the fake students attended local colleges or universities. Ms. Lyke then uploaded the sham driver's licenses, transcripts, financial aid reports, and other documentation into the GVRA's electronic database.

Based on false documentation, the GVRA mailed more than 230 checks to approximately 13 fake clients for claimed educational expenses, when none of them attended any colleges or universities. After Ms. Lyke left the GVRA in March 2019, she continued to submit forged paperwork to the GVRA for non-existent educational expenses and the GVRA continued to issue checks to the fake students. Ms. Lyke reportedly used the stolen GVRA funds to pay for various personal expenses, including cars, jewelry, high-end guitars, and the down payment on a new home. In total, based on the false documentation, the GVRA mailed more than 230 checks to Ms. Lyke resulting in the theft of approximately \$1.3 million. Based on the OIG's investigation, the Ms. Lyke was released from her job and the U.S. Attorney charged Ms. Lyke with one count of conspiring to commit federal program theft. According to the Georgia Inspector General, this is the largest dollar-amount criminal case the State of Georgia OIG has ever investigated.



GOOD GOVERNMENT

Committed to Honesty and Integrity in City Government



DIGITAL DECEIT

By April Page

As impersonation scams in the United States rise, technology is making it easier and cheaper for actors to mimic people's voices, convincing people, often the elderly, that their loved ones are in distress. Advancements in artificial intelligence have added a terrifying new layer, allowing thieves to replicate a voice with an audio sample of just a few sentences. Powered by Artificial Intelligence, cheap online tools can translate an audio file into a replica of a voice, allowing a swindler to make it "speak" whatever they type.

AI voice-generating software analyzes what makes a person's voice unique — including age, gender and accent — and searches a large database of voices to find similar ones and predict patterns. It can then recreate the pitch and individual sounds of a person's voice to create an overall effect that is similar. All it takes is a short sample of audio, taken from places such as TikTok, Instagram, or Facebook videos. Although impostor scams come in many forms, they essentially work the same way: a scammer impersonates someone trustworthy — a child, significant other, or friend — and convinces the victim to send them money because they're in distress.

If a loved one tells you they need money, put that call on hold and try calling your family member separately. If a suspicious call comes from a family member's number, understand that too can be a trick. Never pay people with gift cards because those are hard to trace. Be wary of any requests for cash. Ask a challenge question or even two if you get a suspicious call — something only your loved one would be able to answer (e.g. name your childhood stuffed animal, etc.). Knowledge is power! Knowledge sharing of Artificial Intelligence can create a powerful dynamic that allows citizens to maintain a sense of normalcy while being proactive against cyber fraud.





GOOD GOVERNMENT

Committed to Honesty and Integrity in City Government



ICE CREAM COLLUSION

By Tiye Greene

Many of us are familiar with instances of overt, highly publicized forms of collusion. Like when tuna giant Starkist Co. pled guilty to a felony price-fixing charge and in 2019, was ordered to pay a \$100 million fine. Or when, in early 2021, Colorado-based Pilgrim's Pride Corporation pled guilty and was ordered to pay just under \$108 million in fines for its part in a conspiracy to fix prices and rig bids for broiler chicken products.

But where there are no actual communications between entities, it can be challenging to identify and call out unfair market practices. Scenarios when entities have coordinated their actions by observing and mimicking each other aren't easy to detect and, in some cases, are unactionable as a matter of law.

This more covert, and thus incredibly frustrating form of anticompetitive coordination, is called "Tacit Collusion," and is discussed in entertaining detail in a February 8, 2023, episode of NPR's Planet Money Podcast, titled "The Ice Cream Conspiracy." NPR's hosts discuss a peculiar pattern in the supermarket ice cream aisle and explore a theory that, to the detriment of ice cream consumers everywhere, the two long-time leaders of the super-premium ice cream industry—Häagen-Dazs and Ben & Jerry's—purposely stay out of each other's way, with one offering primarily smooth flavors and the other promising an onslaught of chunks.



As discussed in the podcast, the two companies have bumped heads in the past, and about when the market slowed in 1992, Häagen Dazs debuted a chunky line of products— "EXTRÄAZ". Ben & Jerry's then retaliated with a line of smooth flavors— "SMOOTH NO CHUNKS". Consumers enjoyed a period of competition with one company offering discounts to undercut the other. However, it didn't take long for both companies to pull these campaigns and return to their respective corners. Unless you're at a Ben & Jerry's store, you don't see any smooth flavors from Ben & Jerry's these days, and Häagen Dazs "exträaz" are now only available in Canada and possibly also the UK.

Bottom Line: Research shows the price of a single pint of ice cream is far more expensive than it would be in a competitive market. Consumers like you and me are paying 20-50% more to satisfy our creamy cravings. But, while data may support some measure of cooperation between these two companies, there's nothing to show they ever communicated or memorialized an attempt to monopolize the super-premium ice cream market.

Thus, you and I will simply continue to pay more for ice cream. That is, until we master making our own.

PLANET MONEY
The ice cream conspiracy
February 8, 2023 • Take a look in any supermarket ice cream freezer section and you may see a mystery. There are big containers of the typical ice cream brands: Breyers, Turkey Hill, and Edy's. And there are specialty brands that make gelato, low-fat and vegan ice creams. And then there are the fancy pints: which is mostly Ben & Jerry's and Häagen-Dazs.

▶ LISTEN • 24:41 + PLAYLIST

Amanda Aronczyk/NPR