



# INFORMATION REPORT

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	August 10, 2016
<b>SUBJECT/REPORT NO:</b>	Whistleblower Information Update for Q2 2016 (AUD16016) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
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<b>SIGNATURE:</b>	

## Council Direction:

By-law 09-227 (Whistleblower By-law), Section 19 – Responsibility of the Director of Audit Services requires a quarterly report for, in the aggregate, on the number, nature and outcome of disclosures of serious wrongdoing made under this By-law.

## Information:

A standard process has been implemented by the Audit Services Division for the implementation of forms, procedures and document storage relating to the administration of the Whistleblower By-law.

This Information Report contains information about the number, nature and outcome of disclosures relating to By-law 09-227 for Q2 2016 (April - June 2016) along with historical information.

## Number and Nature of Disclosures:

Categories:	Staff Inquiry	Whistleblower	External Inquiry	Total Intake
Q1 (Jan.-Mar.)	0	0	0	0
Q2 (Apr.-Jun.)	0	2	1	3

**Total Intake Volume in 2016 (January - June): 3**

## Nature and Outcomes:

Q1: N/A-there was no intake activity in Q1 2016.

Q2: One external inquiry was made and an assessment was completed by Audit Services. Outcome-no further action required. Two whistleblower inquiries are currently being investigated.

**Analysis:**

Number and Nature of Disclosures, 2010-2015:

<b>Categories:</b>	<b>Staff Inquiry</b>	<b>Whistleblower</b>	<b>External Inquiry</b>	<b>Total Intake</b>
<b>Year:</b>				
2010	0	2	1	3
2011	1	2	0	3
2012	1	1	1	3
2013	2	2	0	4
2014	3	2	0	5
2015	1	1	1	3
<b>Total</b>	<b>8</b>	<b>10</b>	<b>3</b>	<b>21</b>

The total volume in 2015 for Whistleblower Intake activity was three items. Total volume for the first six months of 2016 was three items.

This is a low volume for an organization the size of the City of Hamilton, with almost 8,000 employees. The total volume for 2010-2016 Whistleblower Intake was 24 items. These sustained low volumes indicate that the awareness of the Whistleblower By-law is likely quite low in the organization and/or that employees do not feel comfortable utilizing a Whistleblower service that is managed in-house.

Future Actions:

It was approved by Council in the 2016-2018 Audit Services Work Plan (Report AUD16005) that the Audit Services Division would be developing an Organization-Wide Fraud Prevention and Detection Program. This work includes:

- Updating the Fraud Policy and Protocol and initial program development and implementation of a comprehensive fraud prevention and detection program (including employee training).
  - The program development work includes reviewing the Whistleblower By-law to determine if any changes to the management of this program are needed, including assessing how to raise awareness of the By-law amongst employees via a communications strategy.
- Developing and providing education/training to the organization, investigation support, case documentation and management and maintaining a roster of fraud/forensic accounting specialists.
- Implementing a hotline and anonymous reporting system
- Modernizing the “Accountability” webpage on [www.hamilton.ca](http://www.hamilton.ca)

Timing for this work is scheduled as follows:

- 2016-Policy Update
- 2017- Program Development, Intake & Investigations
- 2018 and onwards-Intake, Investigations and Reporting

Short-term Mitigation Strategy

In the interim while the above items are being executed, steps are being taken to raise awareness of the Whistleblower By-law amongst employees.

In both October 2015 and April 2016, the City Manager addressed the Whistleblower By-law in a video Council Update to staff (via YouTube). The content for these video clips was provided by the Audit Services Division.

In July 2016, the Communications and Intergovernmental Affairs Division began releasing a poster to promote awareness of the Whistleblower By-law amongst employees. To date, the poster has been distributed in the following manner:

- Hard copy posters
- Posted on the network as a log-on banner
- Included in the first edition of the monthly on-line staff newsletter

Please see the hard copy version of the poster, Appendix “A” to Report AUD16016.