



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	April 24, 2017
SUBJECT/REPORT NO:	Whistleblower Information Update for Q1 2017 (AUD17010) (City Wide)
WARD(S) AFFECTED:	City Wide
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SIGNATURE:	

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 Q1 2017 (January – March 2017) along with historical information.

Number and Nature of Disclosures in 2017

Timeline	Categories			Total Intake
	Staff Inquiry	Whistleblower	External Inquiry	
Q1 (Jan. – Mar.)	0	0	0	0

Total Intake Volume in 2017 (January – March): 0

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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Nature and Outcomes

Q1: There was no intake activity in Q1 2017. One whistleblower item that was received and assessed in Q3 2016 and planned in Q4 2016 is currently being investigated.

Number and Nature of Disclosures from 2010 – 2016

Year	Categories			
	Staff Inquiry	Whistleblower	External Inquiry	Total Intake
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
2016	1	3	1	5
Total	9	13	4	26

The total volume from 2010 – 2016 for Whistleblower Intake activity was 26 items. These sustained low volumes for an organization the size of the City of Hamilton, with almost 8,000 employees, in comparison with other cities may indicate a need for further action to ensure employees are comfortable with reporting concerns. It is Audit Services' intention to investigate options for anonymous reporting during the current year.

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 enable employees to utilize the Whistleblower By-law in a manner that they feel comfortable with.

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- Work completed to-date includes development of a current state process map, one-on-one interviews with key stakeholders and subject matter experts, synthesis of interview findings into emerging themes, a facilitated stakeholder session to determine what / where in the process Audit Services should direct attention first, development of potential solutions and development of a revised future state process map.
- Next steps include reviewing the work completed and incorporating this information into the Fraud Prevention and Detection Program. This work is scheduled for Q2 2017.
- Developing and providing education and training to the organization, investigation support, case documentation and management and maintaining a roster of fraud and forensic accounting specialists.
- Implementing a hotline and anonymous reporting system.
- Modernizing the “Accountability” webpage on www.hamilton.ca.

Timing for this work is scheduled as follows:

- Early 2017 – Policy update and development of Corporate-Wide Investigation Guidelines (this work is currently in progress in collaboration with Legal Services and Human Resources).
- 2017 – Additional program development, intake and investigations.
- 2018 and Onward – Intake, investigations and reporting.