

Presentation to the Audit Committee

February 28, 2014

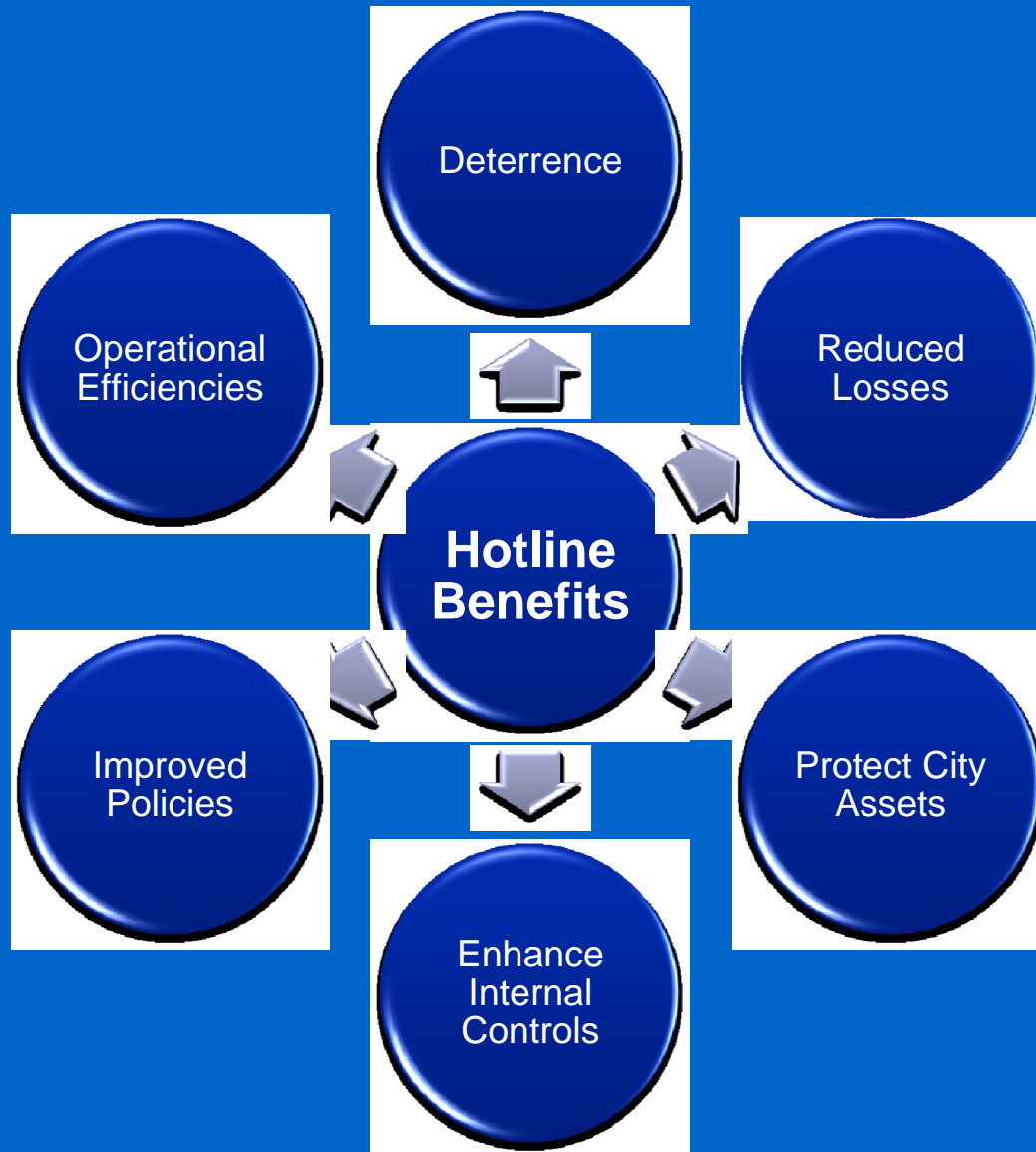
2013 Annual Report On Fraud Including the Operations of the Fraud and Waste Hotline

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Hotline Benefits





Hotline Effectiveness

Data
Collection
and Analysis



Statistics
identify trends

- Conflict
- Sick Leave
and LTD
abuse

Hotline
Effectiveness



Recommendation 1

City Manager to make available to the City's Agencies and Corporations the e-learning training developed on ethics, conflict of interest, fraud prevention and whistle blower protection



The e-learning training was developed as a result of recommendations made in our 2006, 2009 and 2010 annual reports



All City employees were required to complete the training by December 31, 2013



This training should be made available to the City's Agencies and Corporations as a priority.



Proposed Public Service By-law

- City Manager “Developing a Public Service By-law for Toronto” (November 27, 2012 Council Report)
- Key element new framework for disclosure and investigation of wrongdoing to govern complaints Auditor General’s Office can investigate
- Auditor General currently has authority to investigate a broad range of allegations including conflicts of interest
- Auditor General concerns with new definition of wrongdoing included in framework restricting complaints Auditor General would have authority to investigate



Recommendation 2

City Manager, in consultation with the Auditor General to report, prior to the adoption of any proposed Disclosure of Wrongdoing Framework, on:



a. Details of the proposed Disclosure of Wrongdoing Framework, including the definition of wrongdoing, to be included in the proposed Public Service By-law.



b. Details of the formal management framework designed to govern the handling of employee misconduct that does not meet the proposed definition of wrongdoing to be included in the proposed Public Service By-law including the administration, tracking, disposition and public reporting of such misconduct



Complaints Received 2002-2013





Total Complaints

2013 - 643 total complaints representing 1,000 allegations



2012 - 774 total complaints representing 1,500 allegations



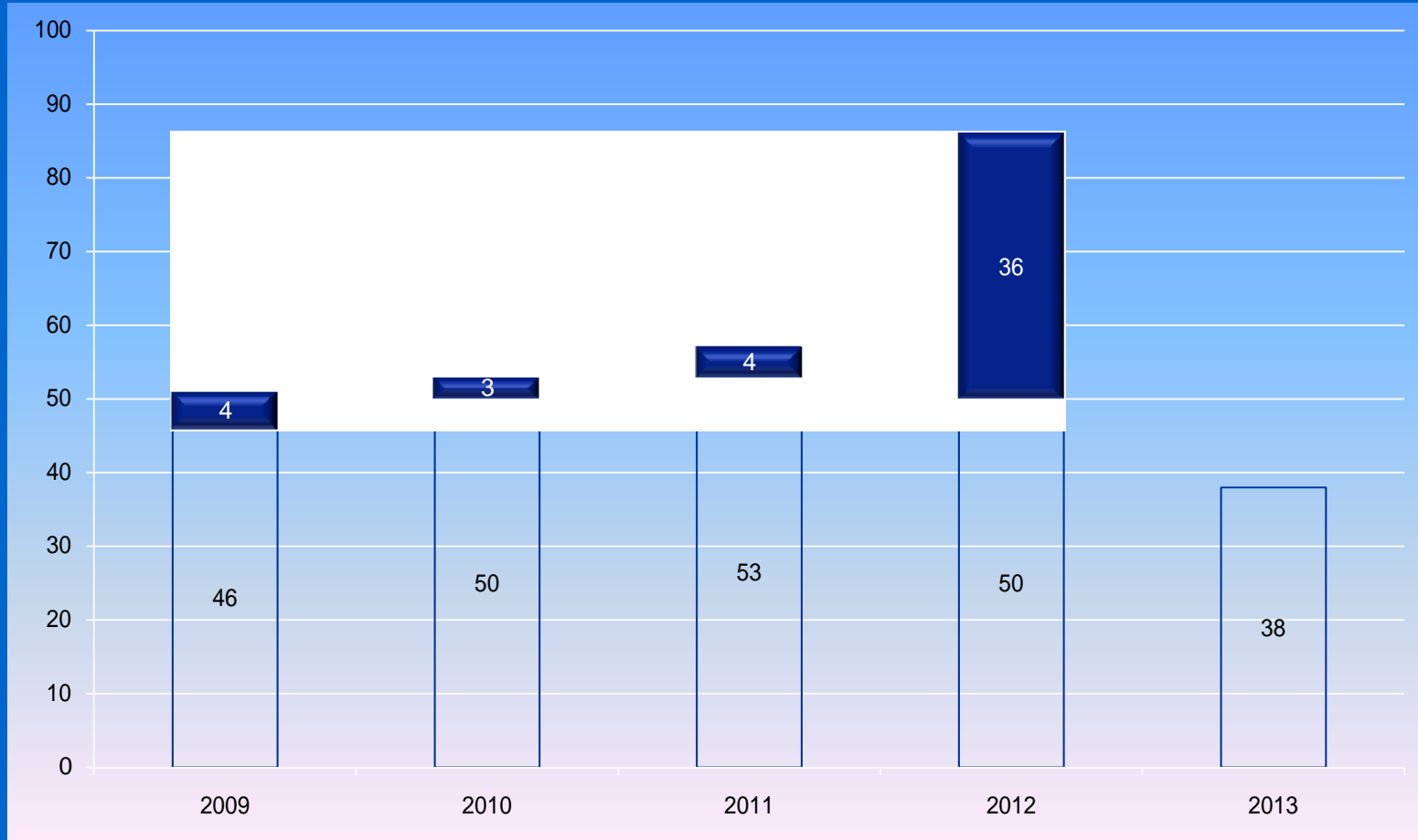
2011 - 822 total complaints representing 1,700 allegations





2010 - 573 total complaints representing 900 allegations



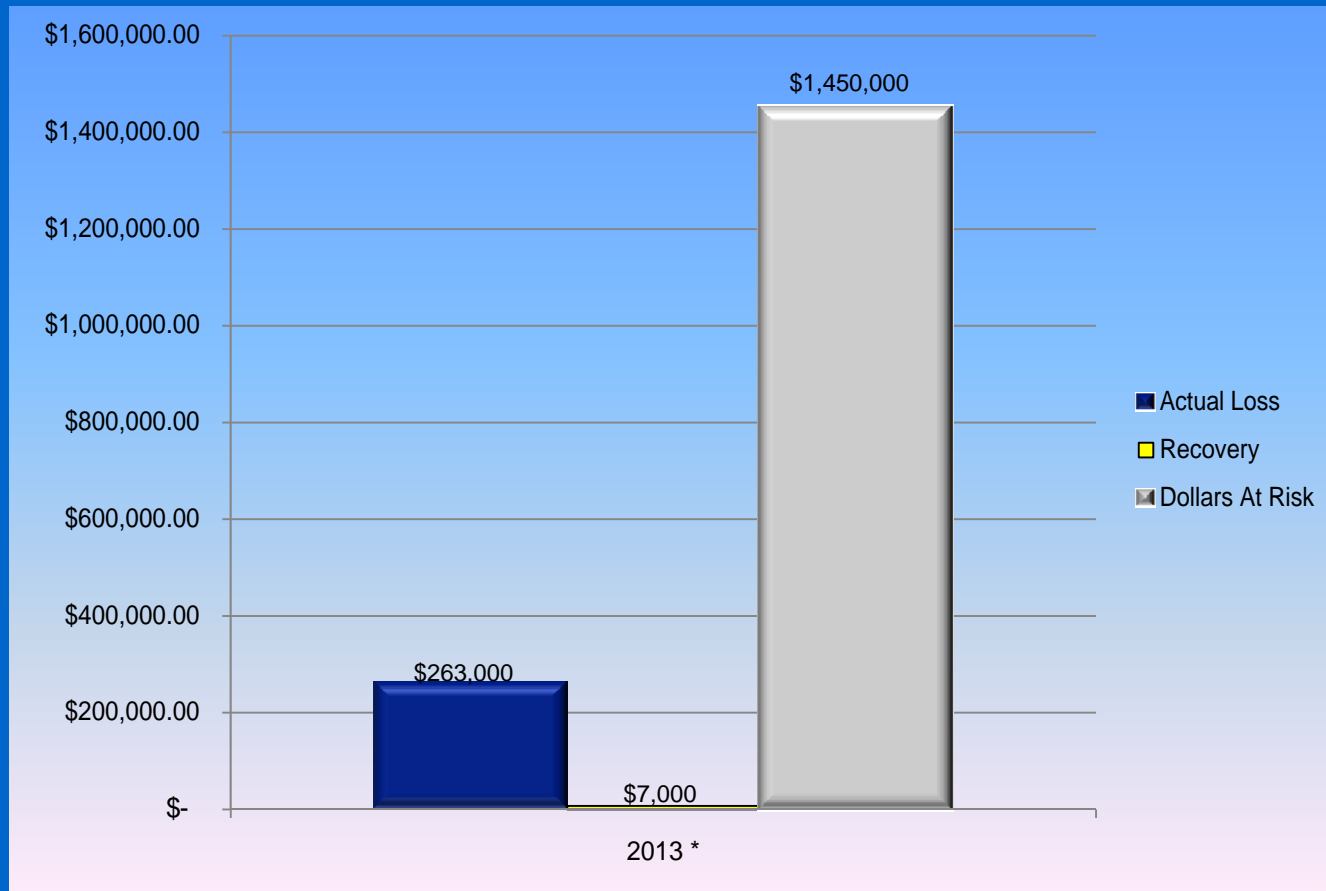
Substantiated Complaints 2013



-  No. of complaints previously reported in annual report
-  No. of additional complaints substantiated/substantiated in part as of December 31, 2013



2013 Actual Loss and Recovery

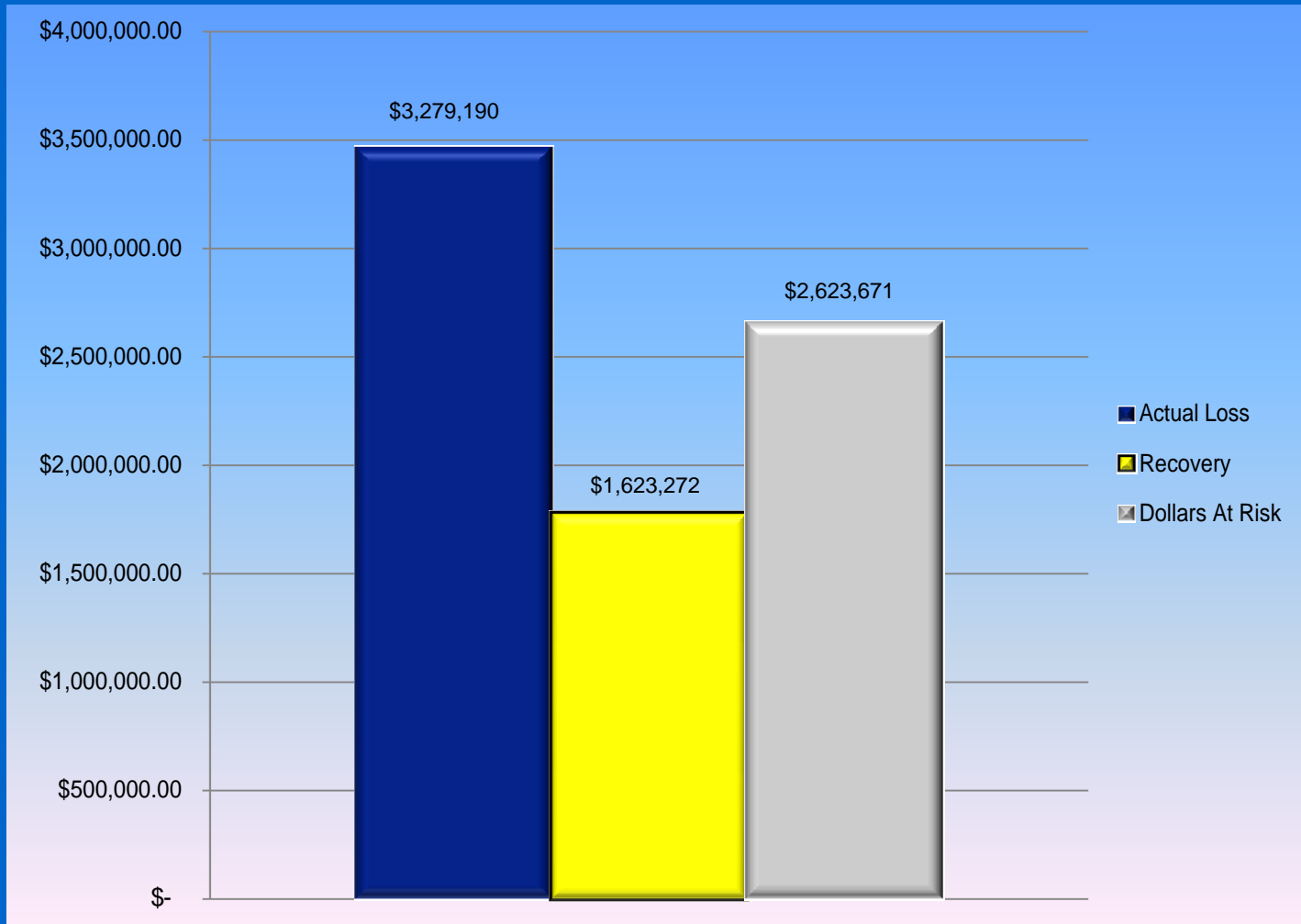


*Recovery of actual losses in 2013 totaled \$7,000 as of December 31, 2013.

**Dollars at risk represents potential losses that could have resulted in actual losses had the wrongdoing continued without being detected.

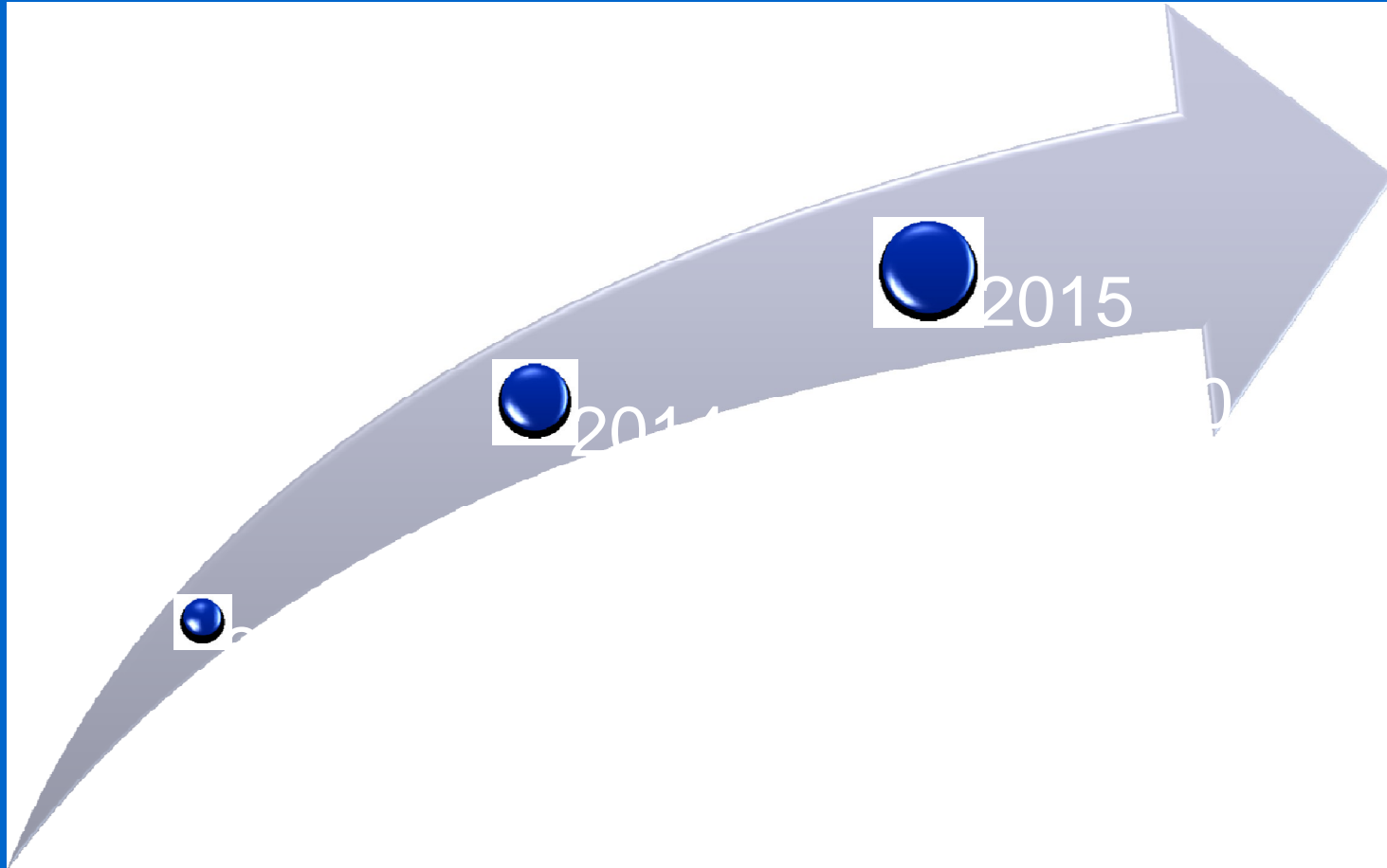


Previous Years (2008-2013) Actual Losses & Recoveries





Recurring Losses





Discipline or Other Action

Terminations - 14

Suspension - 2

Other Discipline - 9

Other Appropriate Action - 13



Questions