

**Presentation to the Audit Committee  
February 13, 2023  
Agenda Item AU1.3**

**AUDITOR  
GENERAL**  

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**TORONTO**

# **Auditor General's 2022 Annual Report – Fraud and Waste Hotline**

Tara Anderson, CPA, CA, CIA, BAcc  
Auditor General

Elaine Au, CPA, CA, DIFA, CFF  
Assistant Auditor General, Forensic Unit

Jasmin Bhatia, CPA, CFE  
Director, Forensic Unit

# Auditor General's 2022 Annual Report – Fraud and Waste Hotline



Information on the Hotline Program



Key Statistics & Impact of the Hotline



Looking Ahead

# Information on the Hotline Program

## Ways to Report

Method	Contact Information
Secure online complaint form	<a href="http://www.toronto.ca/fraudwastehotline">www.toronto.ca/fraudwastehotline</a>
Call	416-397-STOP (7876)
Email	<a href="mailto:AuditorGeneral@Toronto.ca">AuditorGeneral@Toronto.ca</a>
Mail	Metro Hall, 9th Floor, 55 John Street, Toronto, ON, M5V 3C6
Visit our website	<a href="https://www.torontoauditor.ca/report-fraud/">https://www.torontoauditor.ca/report-fraud/</a>

# Information on the Hotline Program

## Disclosure of Wrongdoing and Reprisal Protection Policy

- The responsibility to report wrongdoing is a part of the **Toronto Public Service By-law**
- The By-law requires that:
  - Employees who report wrongdoing in good faith be **protected from reprisal**
  - The **Auditor General investigate allegations of reprisal** against employees

# Information on the Hotline Program

## Definition of Wrongdoing

**Wrongdoing:** refers to **serious actions that are contrary to the public interest** including but not limited to:

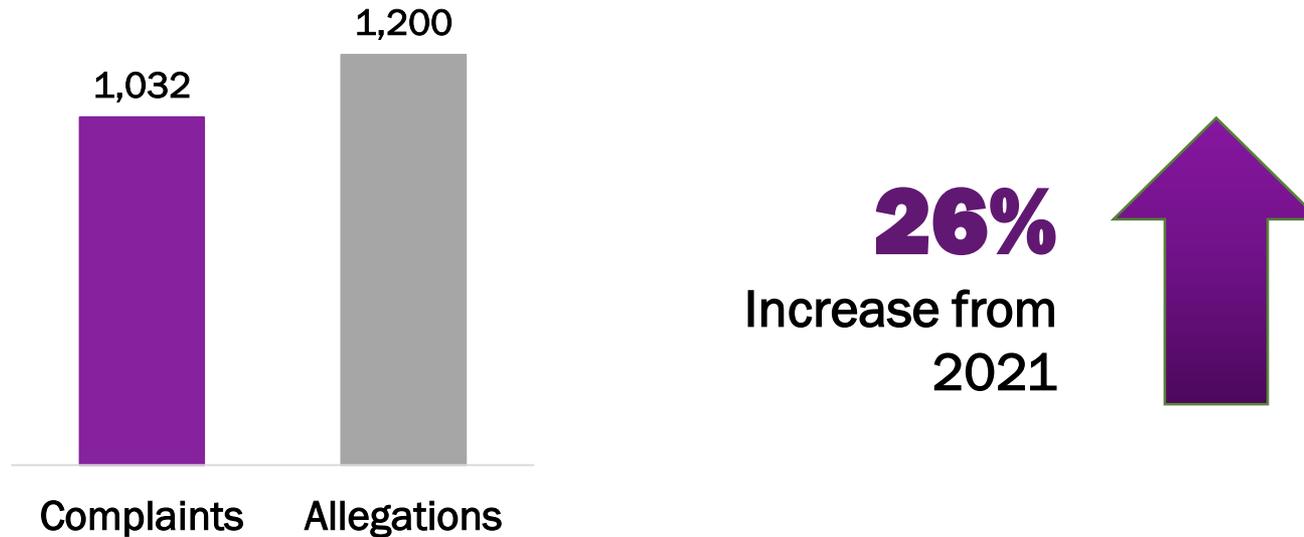
- Fraud
- Theft of City assets
- **Waste:** mismanagement of City resources or assets in a wilful, intentional or negligent manner that contravenes a City policy or direction by Council
- Violations of the City's Conflict of Interest provisions
- Breach of public trust

# Information on the Hotline Program

## Types of Complaints



# Key Statistics for 2022



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## 1,032 complaints, of which:



• **38%**  
through online form

✓ **All** complaints triaged  
to assess risk and priority



• **21%**  
through Hotline

✓ **99%** preliminary  
inquiries conducted

# Key Statistics for 2022

**10%** Investigated  
were Substantiated



**47%**

Substantiated  
complaints  
were  
Anonymous



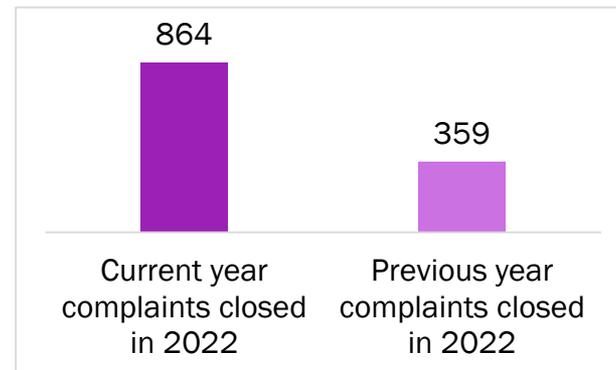
**\$121,000**

Actual Loss in 2022

**\$27.9M**

Actual loss for 5 years

**1,223** Cases  
resolved & closed in  
2022



# Impact of the Hotline

## Actions taken by Management in 2022

### 2022 Complaints

**3** employees disciplined

**12** other actions taken



### Previous Year Complaints

**9** employees disciplined

**11** other actions taken

## Other Outcomes of Hotline Complaints

- Data Trends
- Future Audits
- Internal Controls
- Operational Efficiencies
- Deterrence & Detection

# Major Investigation in 2022



**Installation and Maintenance of  
Traffic Signs Contract – Follow-up  
on Complaints Received**

*- June 2022*

# Looking Ahead

## Continued focus on:



- Processing **complaints**



- Conducting **investigative work**



- **Communication initiatives**
  - Raising awareness on employee **responsibility to report wrongdoing** to the Auditor General's Office
  - Educating employees and members of the public on the **types of complaints** that we investigate

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