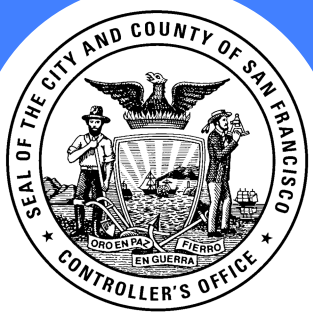


# You've Got a Fraud Hotline

## Now What?



### **CITY & COUNTY OF SAN FRANCISCO**

Office of the Controller  
City Services Auditor  
Stephen Flaherty, Principal  
Investigator

### **CITY OF SACRAMENTO**

Office of the City Auditor  
Farishta Ahrary



09.05.2018

## For Context...

### San Francisco's Whistleblower Program

**California Government Code 53087.6** empowers a city and county auditor-controller to maintain a Whistleblower program to receive information regarding allegations of fraud, waste, or abuse by local government employees.

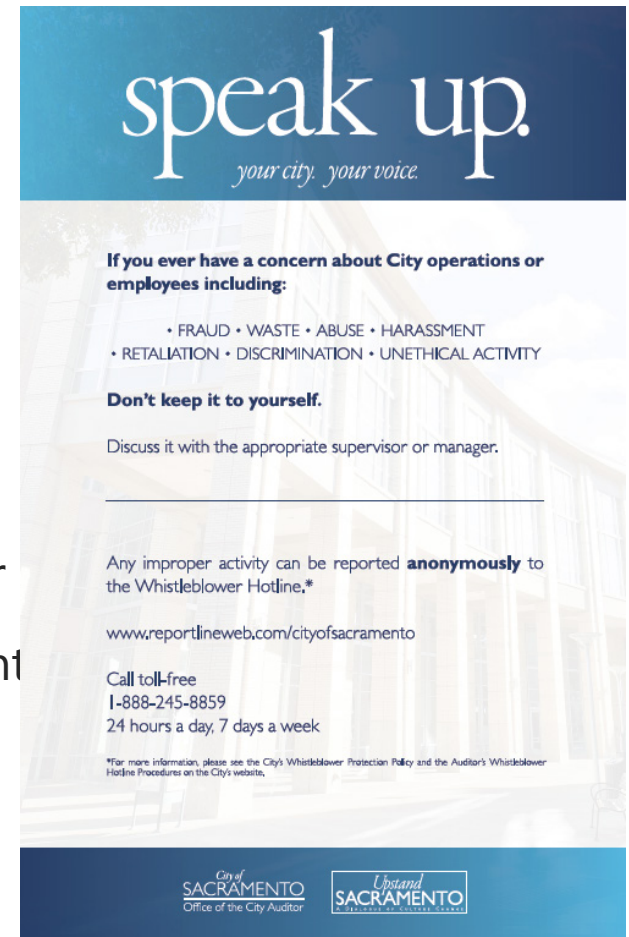
**San Francisco Charter Appendix F1.107** the Controller shall have the authority to receive individual complaints concerning the quality and delivery of government services, wasteful and inefficient City government practices, misuse of City government funds, and improper activities by City government officers and employees.

- 2004 - Whistleblower Program moved to the Controller's Office
- 2011 - Civil Grand Jury report *Whistling in the Dark*
  - The existing program deals with mostly low-level issues, does not foster transparency, lacks a comprehensive tracking system, angers and confuses whistleblowers, lacks an appeals system, and fails to create effective and independent oversight.
- 2018 - CSMFO Innovative Program Award winner for outreach and education efforts

## City of Sacramento's Whistleblower Hotline

**Sacramento City Council approved Whistleblower Hotline in the Office of the City Auditor in March 2012**

- Navex Global, Inc.
  - Anonymous
  - 24/7/365 access to hotline
  - Case Management
- Audit staff conduct investigations
  - Receive between 160-200 cases per year
  - Work with Human Resources Department
- Report hotline activity semi-annually
  - Include substantiated cases



The poster features a blue header with the text 'speak up.' in a white serif font, with the tagline 'your city. your voice.' in a smaller, lowercase serif font below it. The background of the poster is a light blue and white image of a modern building interior with large windows. The main text is in a clean, sans-serif font. It lists various types of concerns that can be reported, such as fraud, waste, abuse, harassment, retaliation, discrimination, and unethical activity. It emphasizes that concerns should not be kept to oneself and should be discussed with a supervisor or manager. It provides the website address, a toll-free phone number, and the hours of operation. A small disclaimer at the bottom refers to the City's Whistleblower Protection Policy and the Auditor's Whistleblower Hotline Procedures.

**speak up.**  
*your city. your voice.*

**If you ever have a concern about City operations or employees including:**

- FRAUD • WASTE • ABUSE • HARASSMENT
- RETALIATION • DISCRIMINATION • UNETHICAL ACTIVITY

**Don't keep it to yourself.**

Discuss it with the appropriate supervisor or manager.

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Any improper activity can be reported **anonymously** to the Whistleblower Hotline.\*

[www.reportlineweb.com/cityofsacramento](http://www.reportlineweb.com/cityofsacramento)

Call toll-free  
1-888-245-8859  
24 hours a day, 7 days a week

\*For more information, please see the City's Whistleblower Protection Policy and the Auditor's Whistleblower Hotline Procedures on the City's website.

City of SACRAMENTO  
Office of the City Auditor

Upstand SACRAMENTO

## A three step approach:

- **Plan**
  - **Define Hotline Goals**
- **Implement**
  - **Promote Your Hotline**
- **Measure**
  - **Monitor and Improve Program Efficiency and Effectiveness**

## Plan

Address the following questions early on:

- What are the regulatory requirements over the program?
  - Examples: Complainant privacy, Public information requests
- Program “branding”
  - “Whistleblower”, “Complainant”, or “Reporter”
- How will the program be staffed?
  - In house vs. Outsourced call takers, 24/7/365 coverage, auditors?
- How will the program be marketed?
  - Last resort? Early warning? Guidance?

## Implement

### Key Considerations:

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Advertising Campaigns

Timely Response to Complaints

Investigator Case Load

Trend Analysis

Coordination with Other Departments

Anonymous Complaint Dialogue

Public  
Reporting/Rewards/Recognition

Staff Training

Organization Hot Spots

Legal Restrictions

## Measure

Monitor performance and improve effectiveness

### Potential Measures:

- Number of complaints received
- Complaint intake method
- Source of complaints
- Type of allegation received
- Substantiation rate
- Case closure time
- Open case age
- Retaliation

### Benchmark

- Other Jurisdictions
  - San Francisco
  - Los Angeles County
  - Toronto, Canada
  - Austin, Texas
  - City of Sacramento
- Industry Reports

Thank you.

Any questions?

You can reach us at [steve.flaherty@sfgov.org](mailto:steve.flaherty@sfgov.org)  
[fahrary@cityofsacramento.org](mailto:fahrary@cityofsacramento.org)