



**Request for City Council Committee Action
From the City Attorney's Office**

Date: May 8, 2008
To: Ways & Means/Budget Committee
Subject: Ethics Report Line

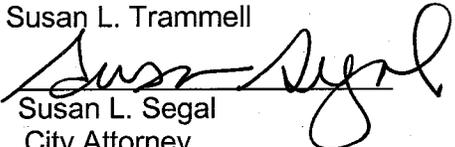
Recommendation: That the City Council receive and file this report.

Previous Directives: Resolution establishing a committee to evaluate the best mechanism for employee reporting of ethics and fraud issues passed on July 21, 2006. City Council direction, on January 12, 2007, to select a vendor for a fraud and ethics reporting line using a competitive procurement process. Staff direction to report back to Ways and Means./Budget Committee upon implementation of the reporting line.

Prepared by: Susan L. Trammell

Phone: 673-3230

Approved by:


Susan L. Segal
City Attorney

Presenters in Committee: Susan L. Trammell, Assistant City Attorney and Ethics Officer

Financial Impact

- No financial impact

Community Impact

City Goal(s):

- Build communities where all people feel safe and trust the City's public safety professionals and systems
- Strengthen City government management and enhance community engagement

Background/Supporting Information

The attached fact sheet announces the implementation of the Ethics Report Line. The Line is expected to go live on June 2, 2008.

SLT/SLT/PM177334

Ethics Report Line

Helping to ensure the highest standards in our workplace

As a best practices measure, the Minneapolis City Council directed that the City implement a hotline to allow employees to report concerns about possible workplace fraud, theft or violations of our Ethics in Government or Respect in the Workplace policies.

In June, the City of Minneapolis will introduce its Ethics Report Line, which will offer new ways for employees to report these concerns. This Ethics Report Line is simply an extension of the reporting process that has been in place here for a number of years. The difference is that the new hotline will utilize an outside vendor to provide a more confidential intake process for employee concerns. Otherwise, the way we investigate concerns and handle illegal or unethical activity remains essentially unchanged.

Why is this being introduced?

Theft, fraud, harassment, discrimination and other illegal actions taint good employees by association, harm the City's image and reduce our ability to accomplish our mission. To reduce incidences of wrongdoing, employees must be able to report concerns without fear of reprisal. The Ethics Report Line offers a safe and easy way — via the phone or computer — for employees to report policy violations or suspected fraud, waste or abuse.

How will the Ethics Report Line work?

The telephone-based report line will be operated 24 hours a day, seven days a week by The Network, an independent company that provides anonymous reporting services for hundreds of businesses and governmental entities worldwide. When an employee calls the hotline, a trained interviewer documents the concern, assigns a report number, and relays information to the appropriate City staff member for follow-up. The Network's Web-based report service works in a similar fashion: the employee is guided through a series of online questions designed to elicit the same information as would be gathered by the interviewer.

After a concern is reported, a City staff member reviews the concern and, depending on the allegation, investigates the issue, refers it to the relevant department or closes the report. The department head will receive a report about any concern related to his or her department.

The Report Line will not operate in isolation. It will be part of a comprehensive effort aimed at helping employees understand our policies and what's expected of them. This includes –

- Orientation for new employees on our Ethics in Government and Respect in the Workplace policies
- Ongoing training programs for current employees
- Enhanced information on CityTalk
- Periodic reminders via e-mail, CityTalk articles, *Minneapolis Matters* articles and posters.

How will employees be informed about the Ethics Report Line?

In early June, a letter will be mailed to every employee's home. The letter will have information about the hotline and urge employees to call the hotline if they have knowledge of an illegal or questionable activity. Shortly after the letter is mailed, an article will appear on CityTalk, the employee Web site, and in *Minneapolis Matters*, the electronic employee newsletter.

What's my role?

The most important role City leadership plays is modeling ethical behavior and communicating expectations to the people they supervise. The City Council also expects that department leaders will support the implementation of the hotline. You are also expected to be aware of your employees' behavior and understand the City's policies so that you can answer questions posed by the people you supervise.

Sometime in the next few weeks, we ask that you inform your employees about the Ethics Report Line so that they hear it first from their own department representative. Please assure your employees that the City assumes that honest, ethical work is the norm and the new Ethics Report Line is simply an effort to make the reporting process easier.

Is this going to mean more work for me?

We do not expect the number of reports requiring follow-up to increase. We do, however, expect those reports to be better documented, thanks to a more uniform intake process and the contractor's ability to ask the right questions needed for a possible investigation.

Despite the fact that the Report Line allows employees to remain anonymous, we do not expect the number of false accusations to increase. The hotline service, which has been instituted at the University of Minnesota and other cities, including Kansas City and Atlanta, did not result in an increase in false accusations. The Network's use of specially trained staff should help weed out malicious or frivolous calls.

Who runs this program?

Our overall program for addressing violations of policy or law will continue to be coordinated as it has been in the past:

- Ethics in Government concerns will be directed to the City's Ethics Officer
- Respect in the Workplace concerns will be handled by Human Resources
- Reports of possible fraud or waste will be reviewed by the Director of Internal Audit.

The City's Respect in the Workplace investigator is responsible for supervising the reporting line contract with The Network, and the City's Ethics Officer is responsible for providing semi-annual reports to the City Council on utilization of the confidential reporting line.

If you have any questions or concerns about the City's fraud/ethics policies or the hotline, please contact Susan Trammell, Minneapolis Ethics Officer, at 612-673-3230 or susan.trammell@ci.minneapolis.mn.us.

Ethics Report Line Implementation Workgroup

- Bob Bjorklund, Director of Internal Audit
- Pam Capp, Business Information Services
- Steve Kennedy, Lead Investigator, Human Resources
- Lynn Schwartz, Communications
- Laura Spartz, Board of Business Agents Labor Representative
- Susan Trammell, Minneapolis Ethics Officer