

Fraud and Waste Hotline Policy

THE CORPORATION OF THE CITY OF WINDSOR POLICY

Service Area: Accountability and Transparency

Policy No.:

Department: Office of the Auditor General

Approval Date: October 20, 2025

Division: Accountability and Transparency

Approved By: CR427/2025

Effective Date: October 20, 2025

Subject: Fraud and Waste Hotline Policy

Procedure Ref.:

Review Date:

Pages: 10

Prepared By: Christopher O'Connor, Auditor General for the Corporation of the City of Windsor

1. POLICY

- 1.1 The City of Windsor is committed to the highest standards of integrity and accountability in public service.
 - 1.2 This policy establishes a consistent, transparent protocol for receiving, assessing, investigating, and reporting allegations of fraud, waste, misuse of City assets or serious wrongdoing through the Fraud and Waste Hotline ("Hotline") or similar mechanisms.
 - 1.3 The Auditor General shall oversee all aspects of the process to ensure that allegations are evaluated fairly, confidentially, and in alignment with the Auditor General's mandate under the Municipal Act and applicable by-laws and policies.
 - 1.4 Internal Resolution First, with Safe Exceptions. Employees are encouraged to raise workplace concerns through existing internal channels (e.g., supervisor, next-level management, Human Resources) wherever appropriate. However, where internal escalation is not feasible or safe—such as when there is a reasonable risk of reprisal, the concern involves the employee's management chain, evidence may be at risk, or prior attempts have failed—the Fraud and Waste Hotline remains an independent channel for confidential or anonymous reporting.
-

2. PURPOSE

- 2.1 To provide clear guidance on the processing of allegations related to fraud, waste, misuse of resources, or serious wrongdoing.
 - 2.2 To reinforce public confidence in the accountability mechanisms of the City.
 - 2.3 To establish minimum submission standards and delineate jurisdictional boundaries.
 - 2.4 To clarify the relationship between internal reporting mechanisms and the Hotline: internal channels are encouraged for routine workplace issues, while the Hotline provides an independent, protected avenue for suspected fraud, waste, misuse of assets, serious wrongdoing, or where internal escalation is inappropriate or unsafe.
-

3. SCOPE

- 3.1 This policy applies to all allegations received by or routed through the Office of the Auditor General (OAG), under the Concerned Citizen/Employee Hotline or similar means. This policy applies regardless of whether internal channels have been used.
- 3.2 It supplements but does not override the City's Fraud and Misuse of Assets Policy.
- 3.3 It applies to City employees, management, Administration and contractors, unless redirected per Section 3.4.
- 3.4 The Hotline does **not** apply to allegations associated with the following areas:
 - The Mayor, City Councillors, or political staff (refer to the Integrity Commissioner)
 - Windsor Essex County Health Unit
 - Essex Region Conservation Authority
 - Local Boards (unless opt-in approved)
 - Municipally Controlled Corporations
 - Grant recipients
 - Committee of Adjustment
 - Windsor Public Library and its Board
 - Windsor Police Services Board

3.5 Allegations outside the Auditor General's jurisdiction shall be redirected as follows:

- Elected officials → Integrity Commissioner
 - All other areas → Finance Executive Initiatives Coordinator or other designated contact for referral
-

4. REQUIRED INFORMATION FOR SUBMISSION

4.1 Reports may be submitted in one of two ways:

(a) Confidential Reports – Reporter provides name and at least one method of contact. This information is retained confidentially within the OAG only and is not disclosed to Administration, City Council, or other parties, except with the reporter's written consent or where legally required. Confidential allegations allows the OAG to seek clarification, request evidence, and provide feedback while preserving anonymity outside the OAG.

(b) Anonymous Reports – Reporter provides no identifying information. Anonymous allegations must contain sufficient factual particulars (e.g., dates, records, witnesses, transactions). Allegations lacking sufficient detail will be logged and closed without investigation, though they may be retained in the OAG for reference or trend analysis.

4.2 Allegations similar to a prior complaint within the past 12 months will not be re-investigated unless new, relevant information is submitted.

5. INTAKE AND REPORTING

5.1 Employee Reporting Pathways: Employees are encouraged to use internal channels first unless:

- the concern involves their supervisor/management chain or senior officials;
- there is a reasonable concern of reprisal;
- time sensitivity or evidence preservation concerns exist; or
- prior internal efforts have not resolved the concern.
In these circumstances, employees may report confidentially or anonymously to the Hotline.

5.42 Allegations may be submitted via:

- Online form
- Email
- Phone
- Mail

Anonymous submissions are accepted, but if sufficient factual particulars are not provided, the report will be logged and closed as “Insufficient Information to Action” within the OAG.

6. ANONYMITY PROTOCOLS

6.1 Reporters are able to submit allegations either confidentially or anonymously.

6.1.1 **Confidential Reports** – Identity is known only to the Auditor General and designated OAG staff. This permits confidential follow-up while maintaining anonymity outside the OAG.

6.1.2 **Anonymous Reports** – Identity is not known to the OAG. These reports are assessed solely on intake information. If insufficient, they are logged and closed within the OAG.

6.2 Allegations are treated as anonymous outside the Office of the Auditor General unless waived by the reporter in writing. Only the original reporter may waive anonymity and must do so in writing or via an email directly to the Auditor General.

6.3 When routed to Administration ~~management~~, anonymity is assumed unless the reporter responds within 5 business days to a clarification request.

6.4 Preserving anonymity may limit the scope of the investigation, increase effort to safeguard identity, or, in some cases, make identification likely based on known issues.

6.5 Choosing any internal pathway does not waive the right to later submit a confidential or anonymous report to the Auditor General.

7. ADMINISTRATION AND INVESTIGATION

7.1 To support the effective and consistent operation of the Hotline, the Auditor General shall develop, implement, and maintain internal procedures, practices, and tools for the intake, triage, investigation, and resolution of allegations. These procedures shall be designed to:

- Ensure fair, timely, and risk-informed responses to submissions;
- Preserve confidentiality and procedural integrity;
- Comply with applicable professional standards and relevant municipal policies.

7.2 The Auditor General shall review and update these procedures as necessary and may communicate process changes or summary trends to City Council through annual work plan reporting or performance updates, where appropriate.

7.3 The Auditor General shall assign each report to one of four categories:

7.3.1 **AG Investigation:** High-risk/systemic/senior official matters. OAG conducts the investigation.

7.3.2 **Administration Investigation with AG Oversight:** Employee/operational matters. Administration investigates under AG oversight and any specifications and reports back to the AG. The AG reviews the approach and Administration assessment and reports the approach and outcomes to the Council.

7.3.3 **Referral Without Oversight:** Valid but out-of-scope matters (e.g., service complaints, HR grievances). Referred to Administration and logged by OAG.

7.3.4 **Insufficient Information to Action:** Allegations lacking sufficient particulars, including anonymous reports without follow-up. Logged and retained by OAG only.

7.4 Confidential Reports – Allow OAG to request clarification or evidence directly.

7.5 Anonymous Reports – Stand only on details provided; allegations with insufficient details will default to 7.3.4. Insufficient Information to Action.

8. INVESTIGATION REFUSAL CRITERIA

The Auditor General may refuse or terminate investigations if:

- There is insufficient ground or no basis
- The matter is frivolous or vexatious
- Continued investigation serves no purpose
- Another process is more appropriate

All refusals, closures, and 7.3.4 Insufficient Information to Action determinations must be documented, with rationale retained by the OAG.

9. ENFORCEMENT AND AUTHORITY

9.1 The Auditor General has full discretion on the handling of allegations and reports, including referring, investigating, or dismissing.

9.2 Investigations involving the OAG will be directed to City Council.

10. CONFIDENTIALITY AND REPORTING

10.1 All allegations and submissions are confidential under MFIPPA.

10.2 The OAG and its staff must maintain strict confidentiality except where disclosure is legally authorized.

11. REPRISAL AND PROTECTION

11.1 Retaliation for submitting a good-faith allegation is prohibited and subject to discipline.

11.2 All alleged reprisals shall be investigated by the Auditor General. Where Administration is implicated, the matter shall be escalated to the CAO or Council.

12. FALSE ALLEGATIONS

Allegations made in bad faith or with malicious intent may result in disciplinary action, including termination.

13. DISCIPLINARY AND LEGAL ACTION

If allegations are substantiated:

- The City shall take disciplinary action in accordance with relevant laws and policies.
 - Losses may be recovered through legal means.
-

14. REPORTING TO City Council

14.1 The Auditor General may report investigation results to City Council.

14.2 An annual report will be submitted to City Council, including:

- Complaint volumes
- Allegation types
- Substantiation rates
- Emerging trends

14.3 Public summaries may be issued, protecting identities.

15. POLICY REVIEW

15.1 The Auditor General shall review this policy annually.

15.2 Revisions will be presented to City Council and, where appropriate.

16. DEFINITIONS

Administration Investigation with Auditor General Oversight: Allegations involving operational or employee-level matters. Administration conducts the investigation under terms established by the Auditor General and reports results back to the OAG for review.

Allegation: A clearly articulated claim or assertion that an event or action has occurred which has not yet been proven as true.

Anonymous Allegation: An allegation submitted to the Fraud and Waste Hotline without any identifying information about the individual submitting it. Anonymous allegations must include sufficient factual particulars (e.g., dates, records, witnesses, transactions) to permit assessment. Where insufficient information is provided, the allegation will be logged and closed without investigation, though it may be retained within the Office of the Auditor General for reference or trend analysis.

Auditor General Investigation: Allegations requiring independent oversight due to seriousness, systemic impact, or involvement of senior officials. These matters are investigated directly by the Office of the Auditor General.

City Assets: All tangible and intangible resources owned by the City, including financial, physical, digital assets, and work time. For further information, see Section 5.2.1 of the City's Fraud and Misuse of Assets Policy.

Complaint/Report: A submission made through the Hotline alleging fraud, waste, misuse, or serious wrongdoing.

Confidential: Information obtained as a result of a report or investigation is not discussed, disclosed, or otherwise shared, both internal and external to the City, unless required by law. All information shared, within the City, as part of the investigation is restricted to a "need to know" basis.

Confidential Allegation: An allegation submitted to the Fraud and Waste Hotline in which the individual provides their name and at least one method of contact. This information is retained confidentially within the Office of the Auditor General for the Corporation of the City of Windsor only and is not disclosed to Administration, City Council, or any other party, except with the individual's written consent or where legally required. Confidential allegations allow the Auditor General to request clarification or evidence while preserving anonymity outside the OAG.

Dispositions: The final classification of how an allegation was addressed, including: substantiated, partially substantiated, unsubstantiated, insufficient information, accurate but compliant, or redirected.

Fraud: Any act involving deceit or concealment intended to gain improper access to or misuse of City assets. Includes forgery, misappropriation, false claims, bribery, and computer misuse. For further information, see Section 5.2.2 of the City's Fraud and Misuse of Assets Policy.

Frivolous: The contents of the report are not serious, lacking merit or factual basis.

Insufficient Information to Action: Allegations lacking sufficient factual particulars to proceed. These are logged and retained within the OAG for reference and trend analysis but are not advanced further unless additional information is received.

Internal Channels: Existing organizational pathways for employee concerns, including immediate supervisor, next-level management, and Human Resources.

Misappropriation: Illegal or unauthorized use of another's property or funds for personal gain or other improper purpose. For further information, see Section 5.2.3 of the City's Fraud and Misuse of Assets Policy.

Misuse: Broader than fraud; includes unethical actions, neglect of duties, abuse of authority, bribes, and significant waste. For further information, see Section 5.2.4 of the City's Fraud and Misuse of Assets Policy.

Person(s): Inclusive term covering employees, agents, intermediaries, and the public. For further information, see Section 5.2.5 of the City's Fraud and Misuse of Assets Policy.

Referral Without Oversight: Allegations valid and sufficiently detailed but outside the OAG's mandate (e.g., service complaints, HR grievances, Integrity Commissioner). The OAG refers such matters to the appropriate body without oversight but retains a record.

Reprisal: Any act of retaliation, threat, harassment, or adverse employment consequence taken against an employee who makes a good-faith allegation through the Fraud and Waste Hotline. Reprisals are investigated by the Auditor General, with escalation to the CAO or City Council if management is implicated.

Reporter: An individual who submits an allegation or concern.

Reporting Party: The person(s) who submits a Fraud and Waste Hotline report.

Respondent: The person(s) who is alleged to have engaged in acts of fraud, waste or serious wrongdoing.

Retaliation: Adverse action taken against a person for reporting or cooperating with an investigation.

Reprisal: A negative action or threat made by an employee, toward the following:

A reporter who has submitted a report of fraud, waste, or serious wrongdoing.

A witness who has provided information or participated in the investigation of a fraud, waste, or serious wrongdoing.

A respondent of an alleged fraud, waste, or serious wrongdoing.

Serious Wrongdoing: Behaviour that significantly impacts service quality, violates public trust, or breaches legal or ethical standards.

Significant Fraud: Determined by CFO & City Treasurer or CAO (if CFO implicated), using professional judgment. For further information, see Section 5.2.6 of the City's Fraud and Misuse of Assets Policy.

Substantiated: A finding that one or more elements of a report were verified through evidence.

Suspicion: A reasonable belief that a policy violation is taking place. For further information, see Section 5.2.7 of the City's Fraud and Misuse of Assets Policy.

Unauthorized: Lacking official permission to act or omit an action, whether formally granted or covered by policy. For further information, see Section 5.2.8 of the City's Fraud and Misuse of Assets Policy.

Vexatious: The report was submitted with malicious intent, or on the basis of improper motives, with the intent to harass, embarrass, or defame the respondent.

Waste: Inefficient, careless, or unnecessary use of City resources.

Witness: A City employee, or other individual, who observed the allegation(s) firsthand.

For further information, refer to **Section 5.2.1 and 5.2.2 of the City's Fraud and Misuse of Assets Policy**.

17. RELATED POLICIES AND GOVERNANCE FRAMEWORK

- City of Windsor Fraud and Misuse of Assets Policy
- Municipal Freedom of Information and Protection of Privacy Act (MFIPPA)
- Municipal Act, 2001 (Sections 223.19–223.23)
- Auditor General By-law
- Auditor General Charter
- Records Retention By-law
- Purchasing By-law
- Code of Ethics & Conflict of Interest Policy
- Collective Agreements
- Standards of Employee Department Policy
- Workplace Harassment and Violence Policies