



Financial Services Audit Committee Communication

Date: December 6, 2019

To: Great Lakes Water Authority Audit Committee

From: Dana Bierer-Casinelli, Management Professional Consultant
Internal Audit & Data Integrity Team

Re: Ethics and Compliance Hotline

Background: The Great Lakes Water Authority (GLWA) issued Request for Proposal (RFP) 1903808 on October 15, 2019. The RFP is for the establishment of third-party Ethics and Compliance Hotline Services. GLWA received proposal responses on November 8, 2019 from five vendors. The services, at a minimum, include the following.

1. A live call center available 24 hours a day, 7 days a week, and 365 days a year with a GLWA dedicated toll-free telephone number.
2. An internet-based compliance reporting system.
3. A case management system that allows caller anonymity.

GLWA does not currently have a third-party hotline provider. Tip hot lines of this nature are the most frequent way fraud is detected in organizations. They are considered best practice for an effective internal control environment.

Analysis: The evaluation team has reviewed the proposals and conducted oral interviews with three highest scoring of the five vendors. Reference checks were completed and found to be positive.

All three vendors under consideration meet the minimum requirements and their hotline services are best-in-class. The hotline processes for these vendors includes the following.

1. The ability for the reporter to maintain anonymity yet allows for GLWA to request additional information of the reporter to support a thorough investigation.
2. Support for multiple languages through the live call center and the internet-based compliance reporting system.
3. Case management reporting to allow for summary and detailed reports for GLWA management, Board of Directors and the public.
4. Customized communication tools to effectively advertise the hotline to employees.

The selected vendor is New Orleans Teleport, Inc. (d/b/a Calls Plus). The vendor can open a live call center toll free number within 30 days after signing a contract. The more-extensive services for the custom-built internet-based compliance reporting system, including testing, can be operational within three months of signing a contract.

Attached is the Procurement Report and the related tabulation of fees which include an implementation/installation fee as well as annual, flat monthly service fees.

Proposed Action: Receive and file this report.