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RECOMMENDED MINIMUM FIDUCIARY STANDARDS FOR GEF IMPLEMENTING AND EXECUTING AGENCIES

(Prepared by Trustee)

Recommended Council Decision

The Council, having reviewed document GEF/C.31/6, *Recommended Minimum Fiduciary Standards for GEF Implementing and Executing Agencies*, takes note of the minimum fiduciary standards recommended by Trustee and requests the Agencies to implement them.

Within one year, to be eligible for further GEF funding each Agency must have implemented the recommended minimum fiduciary standards, or have in place a monitorable program that includes a specific target date for implementation.

Recognizing that international practices will evolve over time, it is recommended that the Council review the standards periodically, such as every four years.

Executive Summary

1. In August 2005, with its endorsement of the Policy Recommendations for the Fourth Replenishment of the GEF Trust Fund, the Council requested that the Trustee develop – in consultation with the Agencies – policy proposals on strengthened accountability for Implementing and Executing Agencies eligible for implementing GEF assistance, with due attention to issues of economy and efficiency. Such proposals should specify minimum fiduciary standards consistent with international best practice including, for example, the following areas: independent oversight, audit and evaluation and investigation functions; external financial audit; financial management and control frameworks; project appraisal standards, including environmental assessments and other safeguards measures, as appropriate; monitoring and project-at-risk systems; procurement; financial disclosure; hotline and whistleblower protection, and codes of ethics.
2. This document accordingly presents the Trustee’s policy proposals for minimum fiduciary standards to strengthen accountability of the GEF Implementing and Executing Agencies. The proposed standards were developed with the assistance of a major international public accounting firm and in consultation with the Implementing and Executing Agencies. The standards are based, where possible, on recognized international practice in each of the areas. In addition, they are founded on a set of core principles: professional standards; independence; transparency; monitoring and response; and value-for-money provisions.
3. The proposal also includes a recommended sequence of actions be taken if the Council decides to approve the recommended fiduciary standards. These include a FY08 review, in consultation with the agency, of each agency’s standards; an assessment as to whether each agency meets the standards; and if needed, development of a monitorable plan with a specific target date for implementation. The proposal takes into account the fact that, if agencies do not specifically meet all of the standards, there may be equivalent or otherwise relevant procedures or policies in place that mitigate the risk of non-compliance.
4. Recognizing that international practices will evolve over time, it is recommended that the Council review the standards periodically to ensure that they remain consistent with current standards and practices.

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INTRODUCTION: GEF COUNCIL MANDATE

1. This paper presents the Trustee’s policy proposals for strengthened accountability for GEF Implementing and Executing Agencies, consistent with the GEF Council’s request in the Policy Recommendations for the Fourth Replenishment of the GEF Trust Fund.¹ The Trustee has consulted with the agencies with respect to appropriate “minimum fiduciary standards consistent with international best practice, including: independent oversight, audit and evaluation and investigation functions; external financial audit; financial management and control frameworks; project appraisal standards, including environmental assessments and other safeguards measures, as appropriate; monitoring and project-at-risk systems; procurement; financial disclosure; hotline and whistleblower protection, and codes of ethics.” The application and monitoring of such minimum standards across different types of operations has also been considered.

2. The Trustee engaged a major international public accounting firm to assist in developing a set of fiduciary management standards and practices. The firm conducted research, helped develop standardized review tools, templates and guidance for use in consultations with each Executing and Implementing Agency, and provided input and advice relative to fiduciary management practices in each of the enumerated categories. This information and advice was used in consultations with the agencies and in the development by the Trustee of this policy proposal.

3. Section I of this paper summarizes core principles underpinning the establishment and implementation of good fiduciary standards, and their application to different types of operations and activities. Section II describes suggested next steps following Council consideration of the proposed recommendations. Section III contains the specific minimum fiduciary standards recommended by Trustee.

¹ Paragraph 22 of the GEF-4 Policy Recommendations states: “The use of GEF resources should be subject to the highest international fiduciary standards. The Trustee should prepare for Council decision, at its meeting in May/June 2007, policy proposals on strengthened accountability for Implementing and Executing Agencies eligible for implementing GEF assistance with due attention to issues of economy and efficiency. Such proposals from the Trustee should be developed in consultation with such agencies and should specify minimum fiduciary standards consistent with international best practice, including, for example: independent oversight, audit and evaluation and investigation functions; external financial audit; financial management and control frameworks; project appraisal standards, including environmental assessments and other safeguards measures, as appropriate; monitoring and project-at-risk systems; procurement; financial disclosure; hotline and whistleblower protection, and codes of ethics. The Trustee will also examine how such minimum fiduciary standards should be applied and monitored across all types of operations.”

I. APPROPRIATE FIDUCIARY STANDARDS

A. Core Principles

4. As a general matter, minimum fiduciary standards are maintained with the implementation of procedures that reflect several core principles. These include:

- (a) Professional standards. Fiduciary management functions (for all categories) are undertaken in accordance with published guidelines and/or standards based, where available, on internationally recognized professional standards.
- (b) Independence. Fiduciary review functions are appropriately independent and objective in the execution of their respective duties.
- (c) Transparency. To ensure both accountability and remedial action, the results of reviews are disclosed to the fullest extent possible, taking into account confidentiality and other concerns as appropriate.
- (d) Monitoring and response. Procedures are in place that establish periodic monitoring and ensure that issues raised in reviews are dealt with effectively.
- (e) Value-for-money provisions. Procedures focus, as appropriate, on ensuring that the maximum benefit, for the resources expended, has been obtained from goods and services acquired or provided.

These core principles apply across the board, in the design and implementation of standards in each of the covered areas.

B. Application to different types of operations

5. In general, all minimum fiduciary standards apply across all types of operations, where there are projects and/or activities to which they can be applied sensibly. Most of the standards apply generally, rather than to project- or GEF-specific activities. These include external and internal audit, financial management and controls, financial disclosure, codes of ethics, investigation, hotline and whistleblower protection. Requirements for monitoring and evaluation are covered under the existing GEF monitoring and evaluation policy adopted by the Council in February 2006. Project appraisal standards, procurement processes, and project-at-risk systems may vary to some degree, depending on the type of programs and activities, in terms of the appropriate criteria and objectives used. However, the core principles are consistent across different types of operations and activities.

6. In the specific context of an agency's GEF work, any assessment must examine whether GEF activities are fully covered by institution-wide standards. In addition, institutional standards designed to cover core business activities must be assessed to ensure that their application to GEF work is effective. This proposal assumes that agency activities are undertaken consistent with the recommendations of GEF/C.31/5, *Comparative Advantages of the*

GEF Agencies; in any case, if an agency's management and control frameworks are focused on different kinds of activities than those undertaken by the agency for the GEF, there must be an examination of whether the frameworks achieve their intended purposes for GEF activities as well. This may apply to existing or future operations.

7. As noted in GEF/C.31/5, *Comparative Advantages of the GEF Agencies*, an assessment of agency capacity to manage different types of projects would be based, *inter alia*, on each agency's fiduciary policies, including environmental and social safeguard procedures. In specific cases of integrated projects that include components where the expertise and experience of a GEF agency is lacking or weak, partnerships with other GEF agencies must be established with clear complementary roles, so that all aspects of the projects can be well managed.

8. Should agencies choose to implement activities that are generally outside of their respective comparative advantage, and to implement such activities in partnership with another agency that has that comparative advantage, as required by the GEF Council, it must ensure that all of the appropriate fiduciary standards, controls and business practices that are required to support those specific activities are in place

II. CONSIDERATIONS MOVING FORWARD

A. Actions to Be Taken

9. Under paragraph 23 of the GEF-4 Policy Recommendations, "each GEF agency would be expected to implement the fiduciary standards, or to have a monitorable program with a target date for implementation within one year of Council approval of the fiduciary standards, failing which, no further funding will be approved for such agency until the fiduciary standards are implemented and the Council decides to resume the provision of funding." Accordingly, approval of minimum fiduciary standards begins a process of assessment and monitoring under the Council's oversight. The Trustee recommends that the following sequence of actions be taken if the Council decides to approve the recommended fiduciary standards.

10. Assessment. With the adoption of minimum fiduciary standards, the Council will need to put in place an assessment mechanism. For each agency, an evaluation must be undertaken to determine what policies, functions and procedures are in place.

11. A consultation process will be needed to design an effective process for assessing and monitoring the recommended standards. That process will need to take into account the respective roles and responsibilities of each component of the GEF governance structure (Council, Secretariat; Trustee; Implementing and Executing Agencies, and the governance structures of each). For this purpose, the Council could direct the Secretariat to engage, through a competitive process, a recognized private sector auditor or comparable institution to conduct assessments, working with the agencies. This process should begin promptly after the Council's decision. If the Council decides to adopt the recommended minimum fiduciary standards in June 2007, sufficient time over the course of FY08 must be allowed for development of appropriate terms of reference, consultations with agencies, due consideration of internal and

external assurance mechanisms and policies of the agencies, conduct of the assessment process, and development of monitorable programs to remedy any shortfalls. (It should be noted that we believe it would not be appropriate for the Trustee to engage in the assessment function, in light of the World Bank's role as one of the Implementing Agencies.)

12. Reasonable Assurance of Effectiveness. The evaluation should take into account not just the existence of fiduciary standards, but also their effectiveness. That is, the assessment should consider whether the fiduciary management policies and functions are reasonably effective in achieving their intended purposes. In that regard, it should be recognized that GEF agencies work in challenging environments throughout the world. All agencies remain vulnerable to some degree to the risks that fiduciary standards and controls are meant to identify and mitigate. Absolute assurance about the application and effectiveness of fiduciary requirements and controls is not possible; a standard of reasonable assurance is the appropriate one to follow.

13. Comparability. Across the GEF Implementing and Executing Agencies, there will inevitably be different standards and procedures in place, sometimes for the same purposes, and the distance below or above the benchmark in a given area will differ. If a minimum benchmark is not met in a particular area, the assessment should review and take into account any standards or procedures that are in place that provide equivalent or comparable functions or assurance. Similarly, different approaches to fiduciary functions may be equivalent in their effect. For example, audit, investigation and evaluation functions may be established separately within an agency, or may be organized under an Inspector General.

14. Communication of Assessment Findings. Through self-evaluation, other internal assurance mechanisms and the external assessment undertaken for the Council, issues and gaps in the recommended standards would be identified and communicated to individual agencies.

15. Response Time. The entity conducting the assessments should be required to communicate its findings expeditiously to each agency, in order to provide adequate response time within the required period either to remedy, or to develop a monitorable plan to remedy, any shortcomings.

16. Periodic Monitoring. The Council should monitor agency progress over time, and at reasonable intervals. In addition, the benchmark standards themselves should be re-evaluated periodically, such as every four years. Periodic monitoring should assess both individual agency status and the interpretation and application of fiduciary controls across agencies, to ensure a minimum level of consistency in GEF agency controls, including controls over financial management processes, financial reporting and procurement.

17. Continuing evolution. Implementation of fiduciary standards and procedures is, for most of the areas, an evolving process. From an agency's perspective, a function may be established, or a policy or practice introduced, on the basis of required minimum standards with an expectation that the relevant policies and practices would be enhanced over time, moving from good practice toward best practice. At the same time, best practice standards themselves evolve over time, so target minimum and good practice standards may be adjusting at the same time. As

fiduciary standards requirements are reviewed periodically, decisions on how to improve standards must take these changing considerations into account.

B. Agency Comments: Timing of Paper, Implementation Costs, Agency Governance and Standards Related to External Financial Audit

18. Most agencies were concerned that they did not have enough time to fully internally vet the Trustee's recommendations in time for the preparation of this paper. Agencies may want to comment further on the recommendations between the publication of the final Trustee paper on May 17, 2007 and the Council meeting. Also, as recommended above, consultations with the agencies should continue during the course of the assessment process.

19. Some agencies also commented that cost-benefit considerations should be taken account where compliance with recommended fiduciary standards as proposed could be disproportionately costly compared to the expected benefit. For this purpose, the assessment should take into account comparable or equivalent functions that address the purpose of specific standards that may not be met as recommended. In addition, some agencies recommended that a self-evaluation process would be appropriate, would avoid duplicate and potentially costly processes, and be in keeping with their own charters and governance structures.

20. Most United Nations agencies pointed out that their Financial Statements are currently prepared on a biennial basis, and are audited for their compliance with United Nation System Accounting Standards (UNSAS). They noted that most of the UN system plans to implement International Public Sector Accounting Standards (IPSAS) as of January 1, 2010. It is recommended that the expected transition to IPSAS in 2010 be viewed as an acceptable and monitorable program consistent with the recommended minimum standards of external audit. It should also be noted that the recommended standards include a requirement of an annual external audit of all GEF funds received from the Trustee and administered by the agency.

III. RECOMMENDED MINIMUM FIDUCIARY STANDARDS

21. This section specifies the recommended minimum fiduciary standards proposed by the Trustee. The first subsection comprises overarching audit, financial management and controls areas: (1) external financial audit, (2) financial management and control frameworks, (3) financial disclosure, (4) code of ethics, and (5) internal audit. The second subsection covers the project/activity cycle: (1) project appraisal standards, including safeguards, (2) procurement processes, (3) project monitoring and project-at-risk systems, and (4) evaluation. The final subsection comprises the investigation function, including hotline and whistleblower protection.

A. Audit, Financial Management and Control Framework

1. External Financial Audit

22. *The external financial audit function ensures an independent (as defined by the International Federation of Accountants (IFAC)) review of financial statements and internal controls.*

- (a) The agency has appointed an independent external audit firm or organization.
- (b) The work of the external audit firm or organization is consistent with recognized international auditing standards such as International Standards on Auditing (ISA).
- (c) Financial statements are prepared in accordance with recognized accounting standards such as International Financial Reporting Standards (IFRS), International Public Sector Accounting Standards or Generally Accepted Accounting Principles (GAAP) that are accepted in major capital markets for listed companies.
- (d) The internal controls over financial reporting cover the use of GEF funds, and Management asserts to the agency governing body that these internal controls are adequate.
- (e) An annual audit opinion on the financial statements, and/or, as appropriate, on all GEF funds received from the Trustee and administered by the agency, is issued by the external auditor and made public.
- (f) An independent audit committee, or comparable body, is appointed and oversees the work of the external audit firm or organization as it relates to the audit of the financial statements. The audit committee or comparable body has written terms of reference that address its membership requirements, duties, authority, accountability and regularity of meetings.
- (g) The external auditor makes regular reports of observations with respect to accounting systems, internal financial controls, and administration and management of the organization. Auditor and management progress reports are reviewed by the audit committee or comparable body annually.

2. Financial Management and Control Frameworks

23. *An internal control framework, as defined by internationally recognized frameworks such as COSO, Cadbury and CoCo, is a risk-based process designed to provide reasonable assurance and feedback to management regarding the achievement of objectives in the following categories:*

- (a) Effectiveness and efficiency of operations
- (b) Reliability of financial reporting and financial management frameworks
- (c) Compliance with applicable policies and procedures.
 - (i) A control framework has been adopted that is documented and includes clearly defined roles for management, internal auditors, the board of directors or comparable body, and other personnel.
 - (ii) The control framework covers the control environment (“tone at the top”), risk assessment, internal control activities, monitoring, and procedures for information sharing.
 - (iii) The control framework has defined roles and responsibilities pertaining to accountability of fiscal agents and fiduciary trustees.
 - (iv) At the institutional level, risk-assessment processes are in place to identify, assess, analyze and provide a basis for proactive risk responses in each of the financial management areas. Risks are assessed at multiple levels, and plans of action are in place for addressing risks that are deemed significant or frequent.
 - (v) The control framework guides the financial management framework.
 - (vi) Procedures are in place for identifying internal controls and assessing controls details annually in core financial management areas, including:
 - a. Budgeting;
 - b. Accounting;
 - c. Internal control;
 - d. Funds flow (including disbursements, cash management, unused fund close-out);
 - e. Financial reporting; and
 - f. Auditing arrangements.
- g. Duties are segregated where incompatible. Related duties are subject to a regular review by management; response is required when discrepancies and exceptions are noted; and segregation of duties is maintained between: settlement processing; procurement processing; risk management/reconciliations; and accounting.

3. *Financial Disclosure*

24. *The financial disclosure policy delineates the process surrounding mandatory financial disclosures of possible or apparent conflicts of interest by identified parties.*

- (a) A documented financial disclosure policy covering identified parties defines conflicts of interest arising from personal financial interests that require disclosure, including actual, perceived and potential conflicts.
- (b) The policy specifies prohibited personal financial interests.
- (c) The policy describes the principles under which conflicts of interests are reviewed and resolved by the agency. It describes sanction measures for parties that do not self disclose where a conflict of interest is identified.
- (d) Parties covered by the policy are provided a way to disclose personal financial interests annually to an administrative function within the agency.
- (e) The policy establishes processes for the administration and review of financial disclosure interests of the defined parties, as well as resolution of identified conflicts of interests, under an independent monitoring/administration function.

4. *Code of Ethics*

25. *A code of ethics for agency staff promotes responsible governance and ethical behavior.*

- (a) A documented code of ethics defines ethical standards to be upheld, including protecting agency and trust fund assets. The code lists parties required to adhere to the standards including employees, consultants, and independent experts. It describes disciplinary and enforcement actions for violations, and provides for appropriate flexibility in application and implementation in local environments.
- (b) An ethics or related function provides administrative support for the code, including distributing the code, monitoring compliance, and authority to refer alleged violations to the agency's investigation function.
- (c) Multiple avenues for confidentially reporting compliance and/or other business conduct concerns such as a hotline and contact information for functional/department options (e.g. human resources and internal audit) are readily available (e.g. on the agency's intranet and external websites).

5. *Internal Audit*

26. *Internal auditing is an independent, objective activity designed to add value and improve an organization's operations. It helps an organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.*

- (a) Internal audit activity is carried out in accordance with internationally recognized standards such as those prescribed by the Institute of Internal Auditors (IIA).
- (b) Auditors and entities that provide internal auditing services adhere to ethical principles of integrity, objectivity, confidentiality and competency.
- (c) The internal audit function is independent and objective in the execution of its respective duties. There is an officer designated to head the internal audit function. The chief audit officer reports to a level within the organization that allows the internal audit activity to fulfill its responsibilities objectively.
- (d) The internal audit function has a documented terms of reference/charter that outlines its purpose, authorized functions, and accountability.
- (e) The internal audit function has a documented description of the annual audit planning process, including a risk-based methodology for preparing an audit plan. The audit plan outlines the priorities of the function and is consistent with the agency's goals.
- (f) The chief audit officer shares information and coordinates activities with relevant internal and external parties (including external financial statement auditors) to ensure proper coverage and minimize duplication of efforts.
- (g) The internal audit function disseminates its findings to the corresponding senior and business management units, who are responsible for acting on and/or responding to recommendations.
- (h) The internal audit function has a process in place to monitor the response to its recommendations.
- (i) A process is in place to monitor and assess the overall effectiveness of the internal audit functions including periodic internal and external quality assessments.

B. Project/Activity Processes and Oversight

1. Project Appraisal Standards

27. *Project appraisal functions include the establishment of standards and appropriate safeguards that are used to determine whether projects and activities will meet their development goals before funds are dispersed.*

- (a) A project and/or activity appraisal process is in place with the purpose of examining whether proposed projects and/or activities meet appropriate technical, economic, financial, fiduciary, environmental, social, institutional and/or other relevant criteria, including GEF-mandated criteria, and whether they are reasonably likely to meet stated objectives and outcomes.
- (b) The appraisal process provides institutional checks and balances at the stage of project design:
 - (i) Policies and risk-assessment procedures are in place specifying the criteria and circumstances under which environmental, social, institutional and/or fiduciary assessments must be conducted to incorporate environmental, social or other relevant considerations into a proposed project or activity.
 - (ii) Guidelines or policies are in place that provide for evaluation by technical advisors, who assess whether or not a proposed project or activity is eligible for GEF funding, based on the GEF-mandated criteria; is likely to achieve GEF focal goals; and is aligned with scientifically sound principles.
- (c) Project and/or activity development objectives and outcomes are clearly stated and key performance indicators with baseline and targets are incorporated into the project/activity design.
- (d) Appropriate fiduciary oversight procedures are in place to guide the appraisal process and ensure its quality and monitoring of follow-up actions during implementation.

2. Procurement Processes

28. *Agency procurement processes covering both internal/administrative procurement and procurement by recipients of funds include written standards based on widely recognized processes and an internal control framework to protect against fraud, corruption and waste.*

- (a) Specific agency directives promote economy and efficiency in procurement through written standards and procedures that specify procurement requirements, accountability, and authority to take procurement actions.

- (b) Specific procurement guidelines are in place with respect to different types of procurement managed by the agency, such as consultants, contractors and service providers.
- (c) Specific procedures, guidelines and methodologies of assessing the procurement procedures of beneficiary institutions are in place.
- (d) Procurement performance in implemented projects is monitored at periodic intervals, and there are processes in place requiring a response when issues are identified.
- (e) Procurement records are easily accessible to procurement staff, and procurement policies and awards are publicly disclosed.

3. *Monitoring and Project-at-Risk Systems*

29. *The GEF monitoring and evaluation policy, adopted by the Council in February 2006, establishes minimum requirements based on widely recognized, best practice norms and standards for monitoring in the GEF. From a fiduciary perspective, the monitoring function detects, assesses, and provides management information about risks related to projects and/or activities, particularly those deemed to be at risk.*

- (a) Monitoring functions, policies and procedures consistent with the requirements of the GEF monitoring and evaluation policy have been established.
- (b) The roles and responsibilities of the monitoring function are clearly articulated at both the project/activity and entity/portfolio levels. The monitoring function at the entity/portfolio level is separated from the project and/or activity origination and supervision functions.
- (c) Monitoring reports at the project/activity level are provided to project/activity manager as well as to an appropriately higher level of managerial oversight within the organization so that mid-course corrections can be made, if necessary. Monitoring reports at the entity/portfolio level are provided to both project/activity managers and to an appropriately higher level of managerial oversight within the organization so that broader portfolio trends are identified, and corresponding policy changes can be considered.
- (d) A process or system, such as a project-at-risk system, is in place to flag when a project has developed problems that may interfere with the achievement of its objectives, and to respond accordingly to redress the problems.
- (e) Adequate fiduciary oversight procedures are in place to guide the project risk assessment process and to ensure its quality and monitoring of follow-up actions during implementation.

This process or system is subject to independent managerial oversight

4. *Evaluation Function*

30. *The evaluation function assesses the extent to which projects, programs, strategies, policies, sectors, focal areas, or other activities achieve their objectives. The goals of evaluation are to provide an objective basis for assessing results, to provide accountability in the achievement of agency objectives, and to learn from experience. The GEF monitoring and evaluation policy, adopted by the Council in February 2006, establishes minimum requirements based on widely recognized, best practice norms and standards for monitoring in the GEF, including impartiality, professionalism, and a high degree of independence.*

- (a) Independent evaluations are undertaken by an established body or function as part of a systematic program of assessing results, consistent with the requirements of the GEF monitoring and evaluation policy.
- (b) The evaluation function follows impartial, widely recognized, documented and professional standards and methods.
- (c) The evaluations body or function is structured to have the maximum independence possible from the organization's operations, consistent with the structure of the agency, ideally reporting directly to the board of directors or comparable body. If its structural independence is limited, the evaluations body or function has transparent reporting to senior management.
- (d) An evaluation disclosure policy is in place. Evaluation reports are disseminated as widely as possible, and at a minimum to all parties directly or indirectly involved with the project. To enhance transparency, to the extent possible, reports are available to the public.

C. Investigations

1. *Investigation Function*

31. *The investigation function provides for independent, objective investigation of allegations of fraud and corruption in agency operations, and of allegations of possible agency staff misconduct.*

- (a) The investigations function has publicly available terms of reference that outline the purpose, authority, and accountability of the function.
- (b) To ensure independence, the investigations function is headed by an officer who reports to a level within the organization that allows the investigation function to fulfill its responsibilities objectively.

- (c) The investigations function has published guidelines for processing cases, including standardized procedures for handling complaints received by the function and managing cases before, during and after the investigation process.
- (d) The investigations function has a defined process for periodically reporting case trends. To enhance accountability and transparency, to the extent possible, case trend reports and other information are made available to senior management and respective functional business areas.

2. *Hotline & Whistleblower Protection*

32. *Agency policies provide avenues for reporting suspected ethics violations and protections for individuals reporting such violations.*

- (a) A hotline or comparable mechanism is in place to ensure the capacity to take in reports of suspected unethical, corrupt, fraudulent or similar activity as defined by agency policy.
- (b) An intake function coordinates the reporting of hotline information, compliance and/or other business concerns from internal and external sources. The intake function maintains an appropriate level of autonomy from the investigations function.
- (c) A whistleblower protection policy specifies who is protected and defines protected disclosures (such as violations of law, rule or regulation, abuse of authority, gross waste of funds, gross mismanagement or a substantial and specific danger to public health and safety). The policy defines the standard of protection from retaliation (such as placing the burden on the agency to provide evidence that alleged acts of retaliation would have taken place absent the protected disclosure).
- (d) Policies are in place to ensure due process, confidentiality and/or anonymity, as requested, of whistleblowers, informants and witnesses, such as by using appropriate hotline technology and preserving anonymity in reporting processes).
- (e) Procedures are in place for the periodic review of whether hotline, whistleblower and other reported information is handled effectively.