Evaluate Your Ethics Program

An effective ethics program provides tremendous benefits, including detecting and deterring unethical behavior that can devastate an organization. The Association of Certified Fraud Examiners (ACFE) and The Network have partnered to help some of the world's most complex organizations develop hotlines and ethics communications programs that minimize risk of illegal and unethical activities. Based on nearly 25 years of experience, the Ethics Program Evaluation Form will help you identify areas where your organization can implement improvements to your current reporting process.

COMMUNICATION REGARDING ETHICS AND THE HOTLINE

QUESTIONS	YES	NO
Is ethics a focus in new hire training?	❏	❏
Do employees certify they have received and understand:		
• Code of conduct	❏	❏
• Ethics training materials	❏	❏
Does the communication define roles and expected behavior for employees, and are employee responsibilities outlined to set proper expectations?	❏	❏
Do all employees receive training regarding:		
• Hotline usage	❏	❏
• Ethical issues	❏	❏
• Conflicts of interest	❏	❏
• Kickbacks	❏	❏
• Accounting irregularities	❏	❏
• Protection from retaliation	❏	❏
• Internal theft	❏	❏
Do supervisors receive specialized training regarding ethics and the hotline?	❏	❏
Does your organization provide hotline awareness materials to:		
• Managers/Supervisors	❏	❏
• Employees	❏	❏
• Shareholders/Stakeholders	❏	❏
• Vendors	❏	❏
Has your organization designed a hotline communications campaign that reaches all employees on an ongoing basis (at least once each quarter)?	❏	❏
Will the content change to keep the topic new and interesting?	❏	❏
What tools are used to promote the hotline? Does your organization leverage existing tools and utilize various media such as:		
• Employee newsletters	❏	❏
• Employee meetings	❏	❏
• Intranet	❏	❏
• Postings in break rooms	❏	❏

COMMUNICATION REGARDING ETHICS AND THE HOTLINE CONTINUED

QUESTIONS	YES	NO
• Training classes	❑	❑
• Employee mailings	❑	❑
Are communication materials printed in primary languages spoken at all offices, including international locations (if applicable)?	❑	❑
Does the content clearly explain the purpose and process of reporting concerns, including the hotline?	❑	❑
Is content reviewed for cultural nuances for use with international employees (if applicable)?	❑	❑
Notes:		

ANONYMOUS REPORTING PROCESS

QUESTIONS	YES	NO
Has your organization established an anonymous reporting mechanism?	❑	❑
Does your organization ensure confidentiality for those who wish to remain anonymous?	❑	❑
Ensuring accuracy and detail: Do Interviewers ask probing questions to ensure pertinent information is uncovered?	❑	❑
Do interview questions change according to the type of unethical behavior being reported?	❑	❑
Is the hotline available free of charge to all employees?	❑	❑
Is there a well-defined process for immediate notice of time-sensitive issues, such as impending illegal activity?	❑	❑
Is the hotline available 24/7/365?	❑	❑
Does the hotline enable reporting in the native languages of all employees?	❑	❑
Is there a process for maintaining ongoing communication with anonymous parties?	❑	❑
Notes:		

DATA SECURITY

QUESTIONS	YES	NO
Are processes in place to protect confidentiality of ethics case information, including secure storage of backup data?	❑	❑
Is the data center physically secure from non-IT personnel?	❑	❑
Does the system have firewalls and intrusion detection to protect against hackers?	❑	❑
Does anyone other than the IT department, whose job function involves managing data files, have access to information?	❑	❑
Is report information encrypted to ensure the security of email transmissions?	❑	❑
Are temporary and contract employees prevented from accessing information?	❑	❑
Do you have a data retention policy that is well defined and followed?	❑	❑
Notes:		

CREATING AN ETHICAL CULTURE

QUESTIONS	YES	NO
Has your organization conducted an employee survey to gain an understanding of the ethical environment?	❏	❏
Does your organization discuss ethics and the code of conduct frequently (on at least a quarterly basis)?	❏	❏
Do employees receive ethics messages:		
• In written communication from senior management	❏	❏
• On your Intranet	❏	❏
• In meetings with supervisors	❏	❏
• In meetings with top management	❏	❏
Does the organization conduct ethics training:		
• For all employees	❏	❏
• For all supervisory employees	❏	❏
Has ethics training been conducted with senior management?	❏	❏
Has an ethics statement been issued to all suppliers?	❏	❏
Is Corporate Governance and Integrity discussed on the organizational website?	❏	❏
Does ethics communication for employees include messages from senior management:		
• In writing	❏	❏
• In a live or pre-recorded address to all employees	❏	❏
Notes:		

INVESTIGATIONS

QUESTIONS	YES	NO
Are investigation procedures:		
• Established	❏	❏
• Documented in writing	❏	❏
• Followed consistently	❏	❏
• Reviewed by legal counsel to ensure they are appropriate	❏	❏
• Designed to protect confidentiality and prevent retaliation	❏	❏
If your organization is publicly traded, has the Audit Committee developed a mechanism for 'receipt, retention and treatment' of complaints to comply with Sarbanes-Oxley regarding allegations of financial irregularities?	❏	❏
Has your organization developed relationships with an external party such as forensic accountants or independent Certified Fraud Examiners?	❏	❏
Do investigations procedures address the need to protect whistleblowers?	❏	❏
Notes:		

HANDLING ETHICS ISSUES AND COMPLAINTS

QUESTIONS	YES	NO
Is there a centralized database of all ethics issues or complaints, including "open door" reports?	❏	❏
Does the case management system contain the following elements of an incident:		
• Initial report	❏	❏
• Involved parties	❏	❏
• Investigator	❏	❏
• Case Manager	❏	❏
• Details regarding actions taken to investigate	❏	❏
• Caller identity (or anonymous)	❏	❏
• Classification of the type of allegation	❏	❏
• Investigation assignment	❏	❏
• Ongoing communications	❏	❏
• Status (i.e., open, ongoing, closed)	❏	❏
• Resolution	❏	❏
• Action taken	❏	❏
Does the case management system provide audit trails that describe the history of changes made to a case?	❏	❏
Are users of the case management system trained regarding the type of information that should be included in case documentation?	❏	❏
Does the system enable multiple users to document actions taken to investigate and resolve each case?	❏	❏
Is data in the case management system protected in the same way that data is protected through the hotline?	❏	❏
Does the system offer tiers of users with differing access rights, so users can only view and change records that fall within the scope of their responsibilities?	❏	❏
Notes:		

How did your organization score? If you said "no" to any number of these questions, it's time to re-evaluate your ethics program and take steps to improve it. Talk to the experts from EthicsLine today. We can help you develop an ethics program that minimizes your risks and maximizes your compliance.

EthicsLine is the official hotline of the Association of Certified Fraud Examiners (ACFE), the largest anti-fraud organization in the world. EthicsLine is operated by The Network, a company that has provided confidential hotlines for nearly 25 years.

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