

IMPACT STATEMENT

Legislation title: *Amend contract with NAVEX Global, Inc. for extension of Fraud Hotline services for one year for an amount not to exceed \$5,000 (Ordinance; amend Contract No. 30003085)

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Presenter name: Kari Guy, Director of Audit Services and Fiona Earle, Principal Management Auditor/Project Manager

Purpose of proposed legislation and background information:

- This is the 5th contract amendment. It will extend the City's Fraud Hotline services provided by NAVEX Global, Inc. for a final year. The not to exceed amount of the extension period is \$5,000 which exceeds 25% of the original contract amount so it requires City Council authorization.
- If this contract amendment is not authorized the current contract for hotline services will expire on November 14, 2018. Expiration of Contract No. 30003085 will deprive Portland residents and City of Portland employees with the means to make anonymous telephone and website reports of suspected fraud, waste and abuse of position at the City.

Financial and budgetary impacts:

- The legislation authorizes an amendment to extend the contract for an additional year of hotline services, with a not to exceed amount of \$5,000 spending for that year. Funds have been budgeted for this service in the Office of the City Auditor's current budget.
- There is no impact on current staffing levels. We cannot predict how much staff time the contract extension will require in the future because that will depend on the number of reports made to the Fraud Hotline, which the City Auditor's Office plans to promote.

Community impacts and community involvement:

This Ordinance authorizes City Auditor to execute Amendment No. 5 attached as Exhibit A, to Contract No. 30003085. This potentially impacts every resident of the city of Portland and every City employee because this contract provides a hotline service to allow them to anonymously report suspected fraud, waste and abuse of position. Without this legislation to authorize the extension of the contract, the City's Fraud Hotline service will lapse on November 14, 2018.

The hotline service allows for reporting in foreign languages.

100% Renewable Goal:

Not applicable.

Budgetary Impact Worksheet**Does this action change appropriations?**

- ☐ **YES:** Please complete the information below.
☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount