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Day 3 – Post Workshop



After the Investigation

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Agenda



- Internal Communications – What do you tell employees?
- Self-disclosure to regulators
- Public Relations
- Remediation Plans and Implementation
- Policy Implications
- Could what we found be indicative of a bigger or broader issue?

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## Internal Communications - What do you tell employees?

An anonymous caller to your helpline wanted to know what ever happened to Mary Johnson who was under investigation for allegations of expense reporting fraud. The caller stated that Mary no longer works for the company and wanted to know if Mary was fired as a result of an internal investigation. The caller stated that it was he who called the helpline originally a few weeks ago to report that Mary was submitting fraudulent expense reports. He insisted that he has a right to know what happened to Mary and that others in the organization should also be told what happened to let them know what the consequences are for employees who engage in similar behavior.

How would you respond to the anonymous caller?

Would your response be any different if you knew the identity of the caller?

How would you communicate this matter to other employees?

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## Self-Disclosure to Regulators

At a recent Steering Committee Meeting you disclosed that an internal investigation uncovered that the Accounts Receivable Department had been inadvertently overbilling a government health care insurer as they had failed to revise their billing rates in accordance with government regulations. You also informed the Steering Committee that the new rates had been put in place to assure no overbilling would occur going forward. You also noted that all prior overbillings were adjusted with a credit being issued to the government insurer.

However, when you stated that the organization should notify the Department of Health and Human Services of the overbillings and subsequent corrective actions, the VP of Operations challenged the need to report the oversight as the problem was corrected. She stated "It's not necessary to call attention to a matter that was discovered and corrected internally to our regulator. After all, we did find and fix the problem with restitution to the government."

What do you say to the VP and the rest of Steering Committee?

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## Public Relations

You just received a call from a journalist at local newspaper asking for information regarding an ongoing investigation that you are conducting. You have no idea how the journalist learned of the alleged misconduct or the investigation. It was apparent to you that someone in the know from your organization had leaked some very sensitive information to the journalist. To date, the allegation of serious misconduct by a senior level employee in your organization were determined to be credible and could ultimately result in possible civil or criminal liability to your organization. You had carefully limited any information of the allegations and investigation to just a few people on a need to know basis. Nor have you at this time notified any regulators or law enforcement officials of the matter under investigation.

What should you tell the journalist?

Is there anyone in the organization you should reach out to for additional guidance in dealing with the press?

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## Remediation Plans and Implementation

Midway through an investigation, in coordination with Internal Audit, you uncovered potential rampant misconduct by several employees who were engaging in the submission of questionable expense reports. Of particular concern were the submission of multiple business expense reports over a period of several months that were not properly backed up with adequate receipts or justifications and involved expenses for meals and entertainment of potential foreign customers and foreign government officials. The employees involved in the misconduct were all part of the newly established International Sales and Marketing Department who all stated when interviewed by the investigation team that they were not aware of the organizations' policy and procedure on expense reporting for meals and entertainment. They also stated that their Senior VP had told them to spare no cost in obtaining new business for the company.

You have not yet concluded your investigation. What, if anything, should you do in the meantime to prevent further misconduct by employees in this group?

Are there any risks to the organization you need to assess at this time?

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## Policy Implications

During an internal investigation into allegations of sexual harassment by an employee in the Human Resources Organization, you are confronted by the Executive VP for Human Resources. She is furious to learn that Ethics and Compliance is conducting an investigation into allegations of sexual harassment by a member of her staff. She further tells you to immediately stop your investigation and to turn over to her any documentation, notes or transcripts from witness interviews conducted to date by the Ethics and Compliance investigator. She also stated that you were operating "out of your lane" and have no business investigating allegations of misconduct by members of her staff and that the CEO would be getting an earful very soon.

What would you say to the Executive VP of Human Resources in the heat of the moment?

Is there anyone in the organization from which you would like to seek additional guidance and support?

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## Could what we found be indicative of bigger or broader issues?

An anonymous reporter to your helpline stated that he feels very uncomfortable in the work area. He tells you that many of the employees in his work group participate in weekly football pools organized by a co-worker, Bud Wisser. He said that Bud confronts him almost daily to participate in the Football Pool in order to help increase the weekly payouts. The reporter said that he has no interest in football and that he was not the only employee Bud has been pushing to get into the weekly pools. He noted that he expressed his concerns to his supervisor, Miller Lite. Miller told him to just ignore Bud and not make a big deal of the matter because most of the group enjoyed participating in the weekly pool and it was a good way for folks to socialize in the workplace.

Is there more to this than the employee's concern about feeling uncomfortable in the workplace?

What should you do?

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Questions?

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