



INFORMATIONAL DOCUMENT FOR AUDIT COMMITTEE

2012 4th Quarter Whistleblower Hotline Report

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At State Fund, we take our *Code of Conduct* seriously. We will periodically report out to the employees' summary information of the actions taken to provide information back to the employees and to demonstrate our commitment to addressing the concerns the employees raise.

This table represents the total number and type of reports made through the Ethics Hotline during the 4th quarter. Here is a breakdown of the status of the investigations for the 41 reports:

Investigation/ Action Status	Total
In Process of an investigation	25
Completed and not Substantiated	11
Completed with HR Action Taken	3
Completed pending Performance Development	2
Grand Total	41

The table below provides a breakdown and number by category of the topics of the cases reported to the Ethics Hotline.

Category	Total
Accounting and Financial Controls	0
Compliance and Regulatory Matters	4
Conflict of Interest	3
Human Resources	11
Information Security	4
Inquiry	2
Other	0
Privacy	17
Vendor and Contract Relations	0
Grand Total	41

Finally, the table below is a complete recap for 2012. The report is a combination of data from Integrity in Action from 1/1-9/3/2012 and the Ethics Hotline from 9/4-12/31/2012.

Topic	Source Ethics Hotline	Integrity in Action	Management Referral	Privacy	Grand Total
Accounting and Financial Controls			1		1
Compliance and Regulatory Matters	8	7	1		16
Conflict of Interest	2		40		42
Human Resources	11	14	31		56
Information Security	2		2		4
Inquiry	2				2
Other		1			1
Privacy	6	2		84	92
Vendor and Contract Relations	1		1		2
Grand Total	32	24	76	84	216

One additional report was received outside the hotline in which the reporter specifically requested protection under the California Whistleblower's Protection Act.¹ An internal investigation was completed under attorney-client privilege and the report was referred to Organizational Development - Performance Development for further action.²

¹ State employees who report improper activities are protected from retaliation pursuant to California Law [CA Gov't Code §§ 8547 et seq.]

² 062012-WB1/EE-12