LIGHTHOUSE
Obtaining information. Delivering solutions.

HOTLINE SERVICES PROPOSAL

CREATED FOR:

CITY OF ALLEN

Welcome to Lighthouse Services

Dear Ryan Patterson,

Thank you for your interest in our hotline program. I've enclosed a quotation for our program at $ 915.80 per year. Please refer to the final page of this document for a detailed cost breakdown of our services. Below you will also find information on our additional features that will enhance the value of our proposal.

Reporting Hotlines: Corporate Best Practice

A reporting hotline is an invaluable tool in your effort to eliminate the potential impact of wrongdoing in your organization. It will also help you establish an ethical organizational culture based on integrity and trust. According to the Association of Certified Fraud Examiners, a reporting hotline is the leading method of fraud detection in U.S. companies.

Implementing a hotline service is now widely viewed to be a best practice. To learn more about the benefits of hotline services, please see our informative white paper "Why Ethics Hotlines Are Considered a Best Practice."

Remain Compliant with Constantly Evolving Regulations

Our hotlines are used by companies worldwide to cost effectively uncover hidden business risks and address various issues such as loss prevention, ethics and integrity violations, HR related concerns, workplace safety, and other serious matters your stakeholders and employees would like to anonymously report. Our program quickly brings you into compliance with multiple disparate regulatory requirements including:

- Sarbanes-Oxley Act

- Dodd-Frank Act

- Federal Acquisition Regulations

- American Recovery and Reinvestment Act of 2009

- Deficit Reduction Act of 2005

- Federal Sentencing Guidelines

Lighthouse's whistleblower hotlines have been developed to be in compliance with data protection and whistleblower law pronouncements applicable to every governing body mandate or interpretation around the globe.

The Lighthouse Advantage

The company you choose to provide your hotline services is just as important as the decision to implement a hotline in the first place. Lighthouse has been providing third-party hotline services since 2003, and our client roster consists of more than 2,000 organizations with a reporting network covering more than 4 million users.

We have extensive experience in providing hotline services to a wide range of diverse industries including:

- Public companies

- Private companies

- Local and state governments

- Non-profits

- Schools and school districts

- Healthcare agencies, hospitals, and clinics

- Banks and financial institutions

Numerous Benefits for Your Organization

Our hotline services will help you improve risk management and governance, while reinforcing the ethical tone from the top. Here are some of the many features and benefits provided by our services:

- **24/7/365** – We are waiting for reports 24 hours a day, 7 days a week, 365 days a year. We offer reporters 3 levels of anonymity and are available whenever your employees need us.
- **Bundled Services** – You get everything you need to set up and manage your hotline program for one low annual fee.
- **Efficient Implementation** – 1 business day setup. Pain free implementation process requiring minimal customer involvement. Our service can integrate seamlessly with your existing system. Templates and custom program materials available including posters and wallet cards in multiple languages.
- **Toll-Free Access** – Eliminates concerns over confidentiality and any barriers over cost.
- **Open Exchange** – Our service allows users to reconnect with our hotline and add information to an existing report or obtain a status update of a previously submitted report. We can also act as the intermediary between our customer and the reporter to facilitate dialogue.
- **Retention** – All our reports are permanently retained and easily retrieved.
- **Specialized Operators** – Our staff are professionally trained and accustomed to dealing with caller concerns, stress, and frustration.
- **Worldwide Access** – Our hotline services are available on a 24/7/365 basis to companies operating in the U.S. and around the world.
- **Multilingual Services** – Our specialized representatives are available in English and Spanish as well as more than 140 languages with our interpreter services.
- **Independence** – We are an independent third-party provider. Employees feel confident that their anonymity will be respected.
- **Flexibility** – Our reporting network includes 6 reporter engagement options: web, fax, mail, e-mail, text, and toll-free 1-800 live telephonic services.
- **Internal Control** – Multiple party and conditional report routing serve as a check and balance insuring enhanced internal control.
- **Technology** – Using the latest in CTI technology, we have maintained our position on the leading edge of hotline provisioning services.
- **Quality & Experience** – We are widely recognized as an industry leader. Our award-winning call centers offer the expertise to provide solutions for businesses of all sizes and types.

Innovative Case Management System Provides Effective Hotline Administration

Our innovative Case Management System (CMS) provides you with a single source for your compliance reporting activities and is always available at your fingertips. Web-based CMS is a secure and powerful tool to track, address, and monitor all of your incident reporting activities. Our easy to use system allows program administrators to effortlessly manage your incident reports on demand from beginning to resolution. With CMS you can:

- View the detailed incident report online.
- Automatically assign an incident for investigation.
- Set and adjust the risk level, priority, and status of reports.
- Document actions taken and record follow-up and outcome notes.
- Manage and oversee the resolution process.
- Add internal reports for incidents not reported through the Lighthouse system.
- Anonymously dialogue with reporters.
- Analyze trends by linking cases and generating reports and charts.
- Create an audit trail for added internal control.
- Attach files and documents to a record.
- Search the database using keywords and date filters.
- Permit multiple users and manage user permissions.
- Reminder Notification emails send configurable email messages to assigned investigators.
- Report rerouting capability if a reviewer is implicated.

Reliable and Dependable Technology

We're equipped to meet your needs from a technological standpoint. We use multiple servers for various functions within our operations. We have multiple PRIs for our phone service and we have two internet service providers to

provide redundancy. We have backups for all critical components and emergency procedures in place with on-call management staff available 24/7.

Anonymity is Safeguarded

Our independent third-party system is secure, completely confidential, and offers reporters a superior safeguard of anonymity. We provide Internet reporting via SSL encrypted site and a reporter's IP address is not tracked. All hotline information is kept in a secure environment with access to confidential data username and password protected. Due to the strict confidentiality that our business requires, we deploy robust security in all areas of nonpublic information access.

Your Company's Confidentiality and Security Is Our Top Priority

Confidentiality and security is the cornerstone of a successful reporting hotline program. Our servers are behind firewalls and all systems are regularly patched and updated. Our servers are co-located in a SOC2 certified facility and are backed up regularly with encrypted backups stored off-site meeting HIPAA, SOX, and GLBA requirements.

We adhere to the U.S.-EU Privacy Shield Framework developed by the Department of Commerce in coordination with the European Commission pertaining to the protection of personal data.

Award-Winning Customer Service that Exceeds Industry Standards

As a Lighthouse Services client, you'll have the benefit of knowing that we're always there for you and your employees whenever needed. We will work closely with you and your staff to ensure a seamless hotline implementation. We'll also be there to provide prompt and reliable ongoing support and service in the years to come.

We are exceptionally proud of our award-winning, U.S.-based call centers. Our outstanding customer service is the focus of our call center operations, which includes highlights, such as:

- Lightning-fast response time -- avg. time to answer: 9.3 seconds (for your reference, 1 ring is equal to 6 seconds). Percent of calls answered in 18 seconds: 90.6% (industry standard <= 80)
- Use of script on screen technology
- Professionally trained staff
- Background checks on all our new hires
- Non-disclosure agreement signed by all employees
- Operators must successfully complete a 3-week training course
- Employees must meet our education requirements

We also give you access to a host of additional services and materials that can help you maximize the impact and effectiveness of your hotline including:

- Program promotional and instructional materials (No additional charge)
- Hotline Implementation Guide (No additional charge)
- Collateral materials including wallet cards and posters (Click here to view & pricing information)
- Customized employee ethics training video (No additional charge)
- Worldwide toll-free number (See quote page for pricing)
- Foreign language reports (See quote page for pricing)
- Comprehensive menu of fee-based e-learning courses (Click here to learn more)

Lighthouse Services Can Protect Your Organization and Ensure Integrity

Implementing the anonymous third-party hotline services from Lighthouse Services is an important step in protecting your corporate assets, board of directors, shareholders, and employees and ensuring integrity throughout all levels of your organization. Join the more than 2,000 organizations that rely on Lighthouse for obtaining information and delivering solutions.

Prepared By:
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LIGHTHOUSE
Obtaining information. Delivering solutions.

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24/7/365 Reporting Hotline Quote

PREPARED FOR:

Company:	**City of Allen**
Name:	Ryan Patterson
Title:	Strategic Services Auditor
Address:	305 Century Pkwy
	Allen, TX 75013
Phone:	214-509-4644
E-mail:	rpatterson@cityofallen.org
Date:	9/6/2017

Setup/Startup Fee	Included
Custom Web Landing Page	Included
North America Toll Free Number	Included
Case Management System (CMS)	Unlimited Licenses
Services Outside North America*	Extra
Exclusive Web Reporting URL	Included
Monthly Activity Report	Included
Custom Employee Hotline Training Video	Included
Consultation with Subject Matter Experts	Included
Program Promotional and Instructional Material**	Included
Ethics Assessment Questionnaire	Included
Report Fee (English and Spanish)	Included
Number of Employees	818
Per Employee Fee	$.60
Base Service Fee	$425.00
Total Annual Fee	**$915.80**

Foreign Language Reports: Translation services are available in 140 languages. Reports other than English or Spanish are subject to a $75.00 fee.

Worldwide Toll Free Number: *$350.00 per year (for reports outside North America).

Collateral Material:
Wallet Cards $35.00 per 100 (black & white) or $45.00 per 100 (color)
Laminated Posters

Size	Black & White	Color	Size	Black & White	Color
8 ½ x 11	$7.00	$8.00	18 x 24	$40.00	$45.00
11 x 17	$11.00	$12.00	24 x 36	$70.00	$75.00

** Program promotional and instructional material available at no charge includes administrator and employee training material, collateral material artwork, policy templates, website landing page sample content, hotline program introductory letters, and program implementation guidelines.

Other Information: Includes phone, web, email, fax and mail reports. Telephone script customization available for $300/yr. Web form changes subject to a one-time programming fee of $100/hr. Quote valid for 90 days and subject to the terms of our service agreement.

Ethics Training: Includes customized employee ethics hotline training video. Fee based e-Learning courses available.

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America's leading hotline provider [SM]

Lighthouse will illuminate where you can't - let us listen to your employees!

YOUR LIGHTHOUSE PROPOSAL

ETHICS AND COMPLIANCE VIOLATIONS • HUMAN RESOURCE COMPLAINTS
INTERNAL CONTROL • FRAUD REPORTING • ANONYMOUS REPORTING • THEFT PREVENTION

Dear Ryan,

Thank you for your interest in Lighthouse Services for your company's hotline reporting needs. You've taken an important first step to ensure that your organization is in compliance with best practices regarding reporting of conduct violations.

Lighthouse is an industry leader providing cost effective reporting hotline solutions. Reports are always handled by our professionally trained staff, and our call center is operational 24/7/365, ensuring that needed help for your employees is always just a phone call away. You will receive notification of a reported incident quickly, and all reports are reviewed by a quality manager before issuance to you. Since 2003 our hotline services have helped serve the needs of small to large companies tasked with the responsibility for implementing ethics and compliance initiatives.

I have attached a quotation for our program which is $915.80 per year and includes web, fax, mail, email and toll-free, 1-800 live operator services. Our program covers internal control and fraud reporting, human resource and employment complaints, illegal acts, ethics and compliance violations, fraud waste and abuse, and more. There are no setup fees, hidden charges or supplemental fees for our services, and our comprehensive program includes the following features:

- 24/7 Toll-free live operator service
- Multiple report submission options
- Three levels of reporter anonymity
- U.S. based call center
- Rapid one-day setup
- Case Management System (CMS)
- Exclusive client web reporting URL
- Dedicated customer service representative
- Promotional and instructional materials

- Consultation with Subject Matter Experts

Lighthouse provides third party communications systems for organizations coast to coast, compiling a roster of over 2,000 satisfied clients with over 2 million users. For a list of our clients click here. Some of our governmental agency clients are listed below and we would also be happy to supply references at your request.

Anderson County, TX	Berkeley County Gov't, SC	Chatham County Gov't, GA
City and County of Denver, CO	City of Arlington, TX	City of Bedford, TX
City of Brentwood, MO	City of Brunswick, GA	City of Carrollton, TX
City of Carson City, NV	City of Denton, TX	City of Edinburg, TX
City of Farmers Branch, TX	City of Fort Smith, AR	City of Georgetown, TX
City of Haltom City, TX	City of Harlingen, TX	City of Lewisville, TX
City of Lincoln City, OR	City of Modesto, CA	City of Pearland, TX
City of Port Arthur, TX	City of Roanoke, VA	City of San Marcos, TX
City of Sonora, TX	City of Texas City, TX	City of Tolleson, AZ
County of St. Clair, Michigan	County of St. Louis, MN	County of Winnebago, IL
County of York, Pennsylvania	DE Valley Indust. Resource Ctr.	Eau Claire County, WI
Escambia FL Board Cty. Comm.	Georgia Lottery Corporation	Lane County, OR
Merced County Assoc. Gov'ts	NY & NJ Minority Supplier Devel	Salt Lake City Corporation
San Manuel Mission Indians	Shawnee County, KS	Southern CA Assoc. of Gov'ts
St. Regis Mohawk Tribe	Tampa Economic Devel. Corp.	Texoma Council of Gov'ts
The Reg. Munic. of Halton, ON	Town of Addison, TX	Town of Collierville, TN
Town of Trophy Club, TX	Union Sanitary District	WI Bus. Devel. Finance Corp.