

Chief Financial Officer's Report to
Audit Committee
2020 March 12

ISC: UNRESTRICTED
AC2020-0250

Code of Conduct Annual Report

EXECUTIVE SUMMARY

The purpose of this report is to provide Audit Committee with an update on the management practices and processes related to The City's Code of Conduct program. Administration's values-based Code of Conduct applies to all City employees. It is supported by: mandatory learning, tools, and resources to guide behaviour and decision-making; and is evaluated using a Results Based Accountability approach.

ADMINISTRATION RECOMMENDATION:

That the Audit Committee:

1. Receive this Report, Attachments and Presentation for the Corporate Record; and
2. Forward this Report and Attachments to Council for the Corporate Record.

RECOMMENDATION OF THE AUDIT COMMITTEE, 2020 MARCH 12:

That Council receive this Report and the Attachments for the Corporate Record.

PREVIOUS COUNCIL DIRECTION / POLICY

The Audit Committee Bylaw (48M2012) states that Audit Committee, among other things, is responsible for "[overseeing] *The City's* compliance with laws, regulations and internal policies including disclosure and internal financial controls, legal compliance and codes of conduct." On 2015 July 16, Audit Committee approved the City Auditor's recommendations contained in Report AC2015-0560 (as amended). Administration closed all Recommendations within the Auditor's report in 2018 June.

BACKGROUND

This report provides Audit Committee with an update on The City's Code of Conduct, in keeping with the Audit Committee Terms of Reference. This report focuses on the progression of the Code of Conduct program and initiatives. Administration has provided annual updates on the Code of Conduct program in 2017 June (AC2017-0545); 2018 June (AC2018-0748); and 2019 March (AC2019-0307).

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The City of Calgary recognizes that having a Code of Conduct, founded in our values, is key to our success. A strong Code of Conduct benefits everyone as it fosters a safe, healthy and ethical workplace and protects our collective reputation, while strengthening our commitment to making Calgary a great place to make a living and a great place to make a life. The Code of Conduct applies to all employees including: permanent, temporary, on-call and seasonal employees ("employees"). Administration's Code of Conduct is separate from Council's Code of Conduct.

The Code of Conduct has been organized into four (4) behaviour-based themes to support and reduce the complexity of the nine (9) underlying policies, as outlined in Diagram 1.

Diagram 1:

Code of Conduct Annual Report

Safe and Healthy Workplace	Respect in Our Workplace	Proper Use of City Resources	Putting Calgary First
<ul style="list-style-type: none"> Occupational Health and Safety Policy Workplace Violence Policy Substance Use Policy 	<ul style="list-style-type: none"> Respectful Workplace Policy Acceptable Use of City Technology Resources Policy Social Media, Media Relations and Public Statements Policy Workplace Violence Policy 	<ul style="list-style-type: none"> Acceptable Use of City Technology Resources Policy Conflict of Interest Policy Environmental Policy Freedom of Information and Protection of Privacy Act 	<ul style="list-style-type: none"> Conflict of Interest Policy Social Media, Media Relations and Public Statements Policy Freedom of Information and Protection of Privacy Act

The information contained within Attachment 1 is intended to provide Audit Committee with an update on the Code and assurance that The City's Code of Conduct program is serving as an efficient and effective internal control. The information provided in Attachment 1 demonstrates that:

- Throughout the past five years, using a series of coordinated activities, The City of Calgary has developed and implemented a sustainable Code of Conduct that is designed to manage reputation risk inherent in The City's strategies, programs, processes and initiatives.
- The Code is underpinned by the essential behaviours of our organization: competence, character, commitment and collaboration.

In 2018 June, the Code of Conduct learning was rolled out to all employees supported by a comprehensive communication campaign. This values-based learning promotes ethical decision making by applying the Code of Conduct Decision Tree seen in Attachment 2. This tool remains pivotal in Administration's efforts to educate employees how to think through various situations, rather than memorize the 'right' thing to do in every situation, for every Code of Conduct policy.

Stakeholder Engagement, Research and Communication

Administration is continuously seeking opportunities to advance the proactive application of the Code of Conduct which may affect or contribute to The City's ability to achieve its objectives. In addition to regularly reviewing leading practices, internal stakeholder input is used to continuously improve established practices. Designing, developing and implementing the refreshed Code of Conduct, the 2018 Code of Conduct Learning and 2020 Code of Conduct Learning has required a coordinated and collaborative approach between the Chief Financial Officer's Department, Policy Owners and Senior Leadership.

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Strategic Alignment

This report assists Audit Committee in its role to monitor the adequacy and effectiveness of corporate policies including Code of Conduct. The Code of Conduct is aligned with Council Priority: A Well-run City. On 2014 September 15, Council approved the Leadership Strategic Plan which includes the development of a “Cohesive leadership culture and collaborative workforce,” founded on the values of a responsible and accountable public service. The Code is an important vehicle for communicating values, expected behaviours and accountability.

Social, Environmental, Economic (External)

The Code of Conduct guides employee actions to support our corporate culture where City services are coordinated, integrated and citizen and customer-focussed. Employees work together and as a team, services are supported by a sustainable financial plan, and The City instils confidence and trust in all that we do as an organization.

Financial Capacity

Current and Future Operating Budget:

Activities related to the Code of Conduct are within approved budgets and programs.

Current and Future Capital Budget:

None related to this report.

Risk Assessment

The Code of Conduct is designed to support the proactive management of The City of Calgary's Principal Corporate Risk: Reputation Risk (defined in AC2020-0000 as: *damage to the image of The City or negative perceptions by citizens or stakeholders as a result of actions of elected officials or City employees. This risk can threaten The City's ability to maintain positive and productive relationships with citizens, businesses, partners and the ability to achieve its corporate objectives*) by introducing preventative, administrative controls. The activities within The City's Code of Conduct program promote accountability, manage risk, and support an effective governance structure. The Code of Conduct addresses standards for workplace conduct in areas subjected to inherent risk for the organization.

REASON(S) FOR RECOMMENDATION(S):

The City of Calgary is committed to promoting a culture of respectful, ethical and safe behaviour in the workplace, guided by a Code of Conduct. This report provides an update on the Code of Conduct program as well as additional measures in support of the Code of Conduct and ethical behaviour.

ATTACHMENT(S)

1. Attachment 1 – Code of Conduct Annual Report
2. Attachment 2 – Code of Conduct Decision Tree
3. Attachment 3 – AC2020-0250 Code of Conduct Annual Report - Presentation