



# Code of Conduct

Annual Report

2017 June 22

## The story behind The Code of Conduct

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; it fosters a safe, healthy and ethical workplace; protects our collective reputation and; strengthens our commitment to making Calgary a great place to make a living and a great place to make a life.

As a result of the 2015 Ethics Audit, completed by KPMG, The City focused on refreshing our Code of Conduct to align it with best practices. Our Code of Conduct is now values based, allowing employees to engage the corporate values as a framework for decision-making, rather than listing a complex set of detailed rules. The refreshed Code of Conduct is now framed in four (4) behaviour based themes which articulate, but do not replace, the nine (9) underlying policies.

Our updated Code of Conduct was fully launched to the organization in 2017 March promoted by a comprehensive awareness campaign, supporting both the Leadership Strategic Plan (C2014-0703) and Council's Imperatives (C2014-0703).

This report has been designed to provide the Audit Committee (Council) with an update on the status of the KPMG Ethics Audit recommendations while also providing assurance of sound practices within our ethics program. Therefore, this report is organized using the following:

### 1. Code of Conduct Supporting Policies

### 2. City of Calgary Code of Conduct Progress

- a. High level **recent accomplishments** in 2016-2017.
- b. Headline performance measures to show **how we are doing**. Where available, baseline information for the measures show history (represented by a solid red line) and forecast (indicated by a dotted red line). Anticipated changes are represented by a solid gray arrow, to depict where we can “turn the curve” on our performance.
- c. **The story behind the numbers** describes the conditions, causes and forces at work that helps explain the current and expected performance.
- d. **What we propose to do** highlights initiatives planned or currently underway to advance success in the focus area.

Ongoing performance accountability is essential to the success of the Code of Conduct. A sustainment strategy will be developed to integrate these initiatives in the work we do and to continue to measure and report on our performance.

### 3. KPMG 2015 Ethics Audit Update



## Code of Conduct- Supporting Policies

The Code of Conduct is framed into four (4) behaviour based themes which articulates, but does not replace, the nine (9) existing policies. These four themes are designed to focus on The City's values and, to reduce complexity of the Code. The four themes and corresponding policies are:

### A Safe and Healthy Workplace

Occupational Health and Safety (HS-ESM-001)

Workplace Violence (GN-040)

Substance Use (HR-TR-005)

### Respect in our Workplace

Respectful Workplace (HR-LR-001)

Acceptable Use of City Technology Resources (IM-IT-002)

Social Media, Media Relations and Public Statement (AL T2016-0798)

### Proper Use of City Resources

Acceptable Use of City Technology Resources (IM-IT-002)

Conflict of Interest (HR-LR-004)

The City of Calgary's Environmental Policy (UEP001)

### Putting Calgary First

Conflict of Interest (HR-LR-004)

Social Media, Media Relations and Public Statement (AL T2016-0798)

Freedom of Information and Protection of Privacy Act

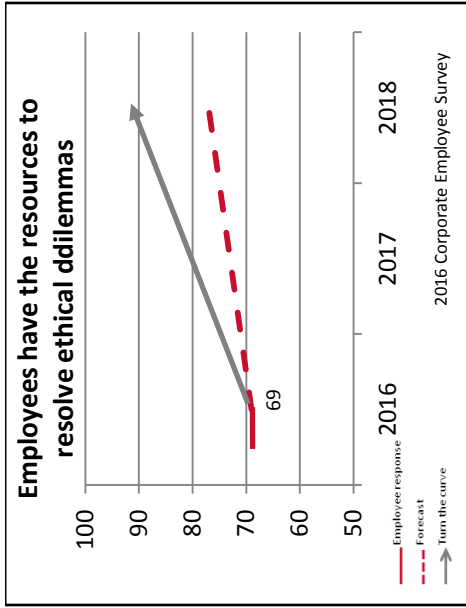
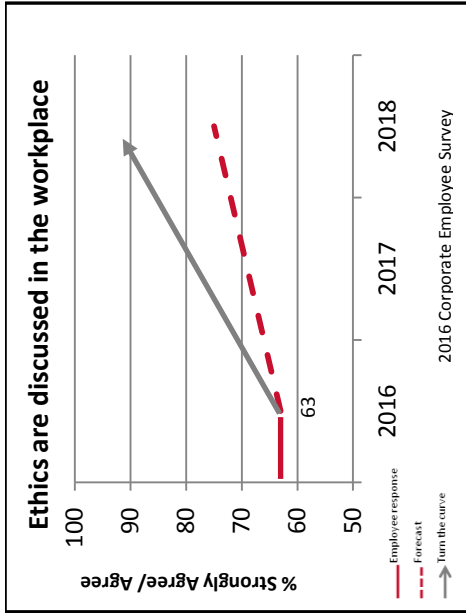
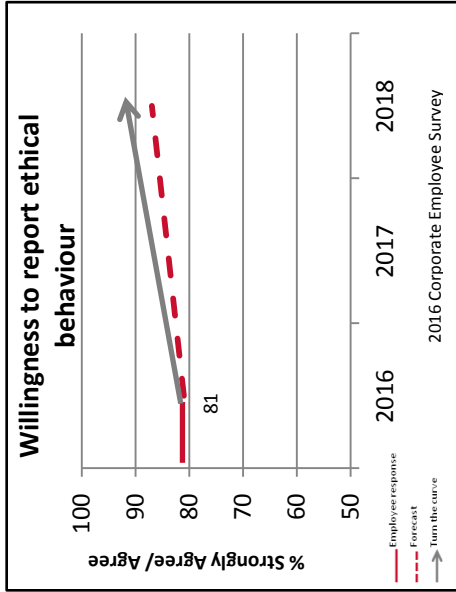
# City of Calgary Code of Conduct Progress

The City of Calgary's values based Code of Conduct outlines expectations and standards of behaviour to help employees remain focused on delivering our common purpose; making life better every day.

## Recent accomplishments

- Code of Conduct project team integrated the 2015 KPMG Ethics Audit recommendations with best practices to design and develop the 'refreshed Code of Conduct'. The refreshed Code of Conduct:
  - Is values driven and is underpinned by our behaviour-based cultural imperatives (character, competence, collaboration, commitment and individual responsibility, collective accountability).
  - Provides direction, tools, resources and principles to guide behaviour and decision-making; including, flow charts and scenario-based examples to support employees and leaders understanding of the code.
- Refreshed Code of Conduct was launched on calgary.ca in 2017 March as a fully accessible micro-site, paired with an accessible PDF for download . The microsite received 12,048 views in during the period of 2017 March- 2017 May.

## How we are doing?



## The story behind the numbers

In 2015 a Code of Conduct project team was established in response to the KPMG Ethics Audit. Integrating best practices and the Ethics Audit recommendations, the project team designed the Code of Conduct using aspirational, descriptive and proscriptive content to support its nine (9) standing policies. The refreshed Code of Conduct was introduced to City leaders, managers and supervisors in 2017 February, followed by a full launch to all employees in 2017 March.

Starting in 2016 September, the Corporate Employee Survey (CES) was expanded to include three questions directly related to the Code of Conduct. The results of the CES indicated an opportunity to: enhance leadership accountability through ongoing discussions of ethics at all levels of the organization and; provide education on the tools and resources to support employees facing ethical dilemmas. Since the annual CES was administered six months prior to the Code of Conduct implementation, these results can only serve as a status quo baseline. Given the 2017 March Code of Conduct launch, the results are expected to increase on the 2017 September CES. campaign and education as the annual CES was administers six months prior to the Code of Conduct launch.

## What we propose to do:

- Continue to apply the Results Based Accountability™ approach to evaluate the progress on the Code of Conduct.
- Continue to actively provide awareness of the Code of Conduct and embed its principles within existing and new programs, processes and initiatives.
- Continue to progress and complete KPMG Ethics Audit recommendations.
- Implement a comprehensive, sustainable and mandatory Code of Conduct training program for all employees

## KPMG 2015 Ethics Audit Update

Actions which have been updated since AC2016-0332 have been updated are highlighted in yellow.

| #     | KPMG Report Action<br>(abridged)                                  | Actions Taken                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | KPMG Report<br>date<br>(Responsible) | Status                   |
|-------|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------|
| 5.1.1 | Consider application or implication of sign-off                   | 1. Accept the Risk. Consistent with the intent and desired outcomes from KPMG's recommendation to consider sign-off, The City will implement mandatory training for employees and leaders, where attendance and completion is tracked.                                                                                                                                                                                                                                                                                                                                                                                                                                                 | June 30, 2017<br>(HR)                | Accept the Risk          |
| 5.1.1 | Continue and possibly enhance communication strategy for the Code | 1. Developed a Communications Strategy for the Code of Conduct that incorporates The City's cultural values, sets a positive tone, provokes thought and discussion, reinforces key Code highlights and focuses on specific policies or areas needing to be targeted.<br>2. Incorporated direction in all Letters of Offer for new hires to review the Code of Conduct prior to starting work at The City.                                                                                                                                                                                                                                                                              | June 30, 2017<br>(HR)                | KPMG Action Complete     |
| 5.1.2 | Complete a review of training needs and approaches                | 1. Based on research and feedback from employees and leaders, worked with Human Resources-Learning and Development to develop a Training Strategy and plan for training for employees and leaders. Proposed employee training would cover highlights of policies, roles and responsibilities, relevant examples or cases, where to ask questions and how to report concerns. Leaders' sessions would provide additional understanding of their particular role in guiding employees, dealing with concerns, and seeking help from experts.<br>2. Updated Corporate Orientation content with updated scripts and examples of policy behaviours to assist facilitators and participants. | December 31, 2017<br>(HR)            | KPMG Action- In Progress |

| #     | KPMG Report Action (abridged)                                                                            | Actions Taken                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | KPMG Report date (Responsible)   | Status                  |
|-------|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-------------------------|
| 5.1.2 | Complete a review of a tracking mechanism for training and ease of access to code and related amendments | <ol style="list-style-type: none"> <li>1. A plan is in place to implement a Learning Management System (LMS) that will enable training registration, enrollment and tracking starting in 2018 quarter 4.</li> <li>2. Developed a website on Calgary.ca, to better enable <i>all</i> employees to access user-friendly information about the Code and its related policies.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                               | December 31, 2017<br>(HR)        | KPMG Action In Progress |
| 5.1.2 | Discuss training needs with Council                                                                      | <ol style="list-style-type: none"> <li>1. The City has had a website for a number of years that houses information about the Code. This year a new external website was created that contains information, videos and tools related to the Code of Conduct as well as links to the Code policies within the Administration Library, accessible to members of Audit Committee and Council.</li> <li>2. The refreshed Code of Conduct was provided to the new members of Audit Committee.</li> </ol>                                                                                                                                                                                                                                                                                                                  | March 31, 2016<br>(City Clerk's) | KPMG Action Complete    |
| 5.1.3 | Review of Code of Conduct for staff of Office of the Councillors                                         | <ol style="list-style-type: none"> <li>1. Inventoried ethics policies in Council and Administration Policy libraries that apply to City employees, and elected officials and their staff. Found that processes for reporting and investigating concerns is unclear.</li> <li>2. Determined that refreshed Code of Conduct would apply to all <i>City</i> employees</li> <li>3. Determined that ethics policies that apply to City employees, and those applying to elected officials and their staff should be separate. Ethics policies applying to elected officials and their staff need processes developed that clearly outline how their concerns are reported, investigated and resolved. Administration is pleased to support the Ethics Commissioner and Ethics Advisor in advancing this work.</li> </ol> | March 31, 2016<br>(HR)           | KPMG Action Complete    |

| #     | KPMG Report Action<br>(abridged)                                                                                                                                                                                                                          | Actions Taken                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | KPMG Report<br>date<br>(Responsible) | Status                  |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------|
| 5.1.3 | Assist Council in any review Council chooses to undertake                                                                                                                                                                                                 | 1. The Integrity Commissioner and Ethics Advisor were not in place when this Action was put forward. In light of the recent selection to these positions, we believe any review with Council would directly involve these ethics personnel. We continue to be available to assist or support Council, and the Integrity Commissioner and Ethics Advisor, in any review Council decides to undertake.                                                                                                                                                                                                                                                                 | June 30, 2016<br>(HR)                | KPMG Action Complete    |
| 5.1.3 | Review responsibility and process to identify and resolve any conflicts between policies in the Code or with supporting policies and documents;<br><br>Review the complexity of the Code with objective of providing an understandable and effective code | 1. Based on stakeholder feedback and research re-wrote the entire Code of Conduct to create a more understandable, useful, engaging and accessible reference.<br>2. Developed clear, easy-to-find, and easy-to-read sections on asking questions and reporting concerns within the refreshed Code, clarifying where to report different types of policy concerns.<br>3. Defined responsibility for the policy owners and Code of Conduct owner to identify and resolve conflicts or overlaps with other policies and ensure alignment.<br>4. Developed Policy and Standards templates and guides to create greater consistency and ease of navigation for end users. | March 31, 2017<br>(HR)               | KPMG Action Complete    |
| 5.1.3 | Review current investigation approach and matrix for applicability to the overall code of conduct and to ensure clarity and effectiveness                                                                                                                 | 1. Developed process maps for the current processes that are in place to report, triage and investigate concerns for policies under the Code.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | June 30, 2017<br>(HR)                | KPMG Action in Progress |

| #     | KPMG Report Action<br>(abridged)                                                                                                                                                            | Actions Taken                                                                                                                                                                                                                                                                                                                                                                                                         | KPMG Report<br>date<br>(Responsible) | Status                  |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------|
| 5.1.3 | Review the effectiveness of the process for policy review and procedure to record evidence of the review                                                                                    | 1. We will continue to update policies every three years and bring the Code and its related policies to a common, three-year review cycle to realize efficiencies in updating documents, websites and programs (e.g. training), to facilitate policy alignment and to better coordinate communication of changes. The three-year cycle will still allow for more frequent policy updates, as needed.                  | September 30, 2016<br>(HR)           | KPMG Action<br>Complete |
| 5.1.4 | Review the reporting processes and determine whether a generic reporting process should be created                                                                                          | 1. Clarified in the refreshed Code of Conduct where employees can report their concerns generally as well as for specific types of concerns.<br>2. Provided employees with multiple avenues to report concerns. For example, if it not appropriate to inform their supervisor, they have other options for reporting.<br>3. Utilized existing phone line as an option employees and leaders can use to ask questions. | March 31, 2017<br>(HR)               | KPMG Action<br>Complete |
| 5.1.4 | Consider expanding Bid Submissions forms to clearly include identification of current and former employees. At that time also consider enhancements to reference spouses/partners of staff. | 1. Supply, in collaboration with Law, has considered and implemented new wording in the Bid Submission (RFP) templates that have been recently issued, to include identification of current and former employees and spouses of employees.                                                                                                                                                                            | June 30, 2016<br>(Supply)            | KPMG Action<br>Complete |

| #     | KPMG Report Action<br>(abridged)                                                                                                                      | Actions Taken                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | KPMG Report<br>date<br>(Responsible)  | Status                  |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------|
| 5.1.5 | Explore the development of a mechanism to monitor and report on Code violations/investigations and report regularly to City Manager/Senior Management | <ol style="list-style-type: none"> <li>1. Worked with policy owners and Corporate Initiatives to identify performance measures, using Results-Based Accountability (RBA) methodology.</li> <li>2. Exploring the use of the different databases for reporting incidents and investigations, including outcomes, so we will have a method to report on investigations and policy violations.</li> <li>3. Identified existing Corporate Employee Survey measures and added Code-specific questions.</li> </ol>    | June 30, 2017<br>(HR)                 | KPMG Action In progress |
| 5.1.6 | Document clear roles and responsibilities for the code processes                                                                                      | <ol style="list-style-type: none"> <li>1. Developed detailed roles and responsibilities for governance stakeholders: Executive Sponsor, Code governance (CFO), Policy approval (AL.T), Audit Committee, City Auditor, Code Administration (CHRO), Code of Conduct Owner, Policy Owners, leaders and employees.</li> </ol>                                                                                                                                                                                      | March 31, 2016<br>(HR)                | KPMG Action Complete    |
| 5.1.6 | Revisit the individual performance evaluation process to ensure it reflects corporate values and, by extension, the values inherent in the Code.      | <p>The Individual Performance Development Project was placed in abeyance in 2016 August. Not with standing the project suspension, Administration has continued to manage the risk through alternative strategies and initiatives including, but not limited to;</p> <ul style="list-style-type: none"> <li>• Code of Conduct implementation (corporate wide campaign)</li> <li>• Quality coaching conversations</li> <li>• Corporate Culture</li> <li>• Revising the performance development forms</li> </ul> | December 31, 2016- As Amended<br>(HR) | Accept the Risk         |