

# Whistle-Blower Program 2014 Annual Report



**February 19, 2015**

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## 1.0 Introduction

On May 28, 2007, City Council approved Council Policy CC026 - Whistle-Blower Policy (the "Policy"), reflecting the City's ongoing effort to support ethical, accountable, and transparent local government. The purpose of the Policy was to establish specific program responsibilities regarding the reporting and investigation of allegations of waste and/or wrongdoing within the City of Calgary. The Policy directed the City Auditor and the City Manager to develop, implement, and maintain an effective Whistle-Blower Program (the "Program"). The Program began operations on July 5, 2007.

On May 27, 2013, City Council approved amendments to the Policy, as proposed by the Legislative Governance Task Force, and revisions were implemented to include Members of Council and Council staff.

The Policy directs the City Auditor to report annually to Council, through the Audit Committee, information related to reports received and investigations conducted during the year. Therefore, the City Auditor's Office has prepared this Annual Report representing Program activity during the period January 1, 2014 to December 31, 2014 (the "reporting period").

## 2.0 Program Overview

The City of Calgary's Whistle-Blower Program allows for employees, suppliers or members of the public to confidentially report suspected acts of waste and/or wrongdoing. The Whistle-Blower Policy applies to all employees, managers, contractors, suppliers, agencies or commissions over which Council has the authority to require general policies to be followed. The Policy requires employees to report allegations of criminal activity, breaches of security or administrative policy to their supervisor, Human Resources or Corporate Security. The Program provides an independent channel within the City Auditor's Office to ensure all concerns raised in good faith are objectively reviewed and appropriately investigated and actioned without reprisal.

Reports received through the Program are streamed as matters regarding Council, sensitive reports, and administrative concerns. This report summarizes activities and concerns received through the Program during the reporting period.

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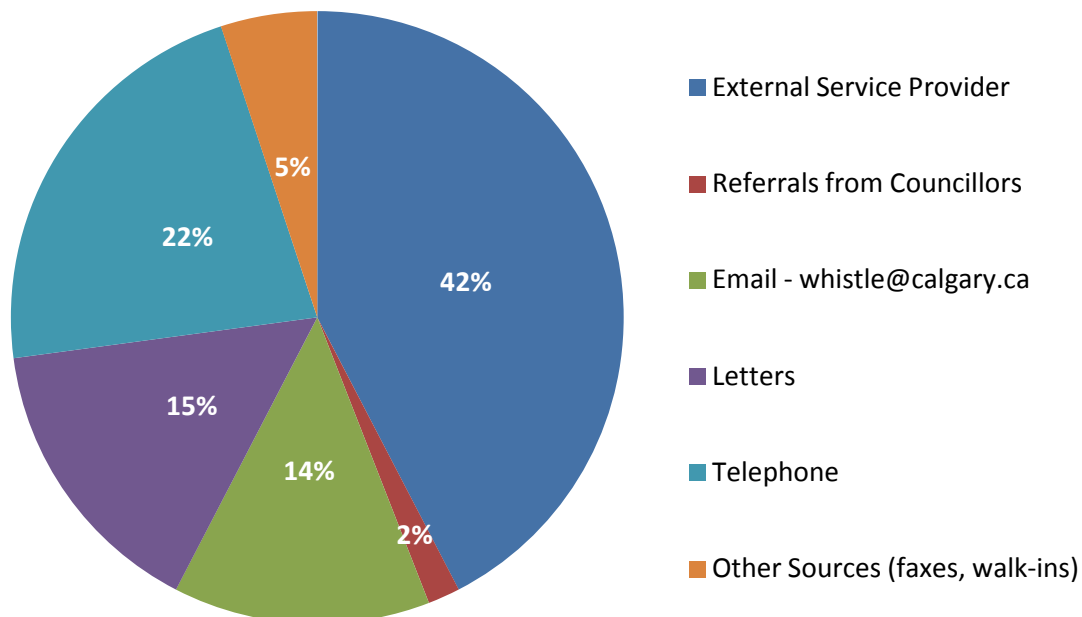
### 2.1 Reporting Mechanisms

There are five methods by which reports can be submitted to the Program:

1. External Service Provider: [www.ClearViewconnects.com](http://www.ClearViewconnects.com)  
1-866-505-5039
2. Email: [whistle@calgary.ca](mailto:whistle@calgary.ca)
3. Mail: Whistle-Blower Program  
City Auditor's Office  
The City of Calgary, #8005  
P.O. Box 2100, Postal Station M  
Calgary, Alberta T2P 2M5
4. Facsimile: (403) 268-1558
5. Telephone: (403) 268-3282

During the reporting period, the City Auditor's Office received a total of 59 reports through the various channels, as shown below.

**Chart 1: How Reports Were Received - 2014**



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Forty-two percent of all reports received were generated through a confidential and independent external service provider's hotline service, ClearView Connects. The service consists of a call centre and a web-based report form. All reports received are tracked independently by the service provider creating a permanent record and full audit trail of reports received and timely response provided by the Whistle-Blower Office. When a report is submitted, ClearView automatically generates a case file number and allows the reporter to generate a password, thus providing the City Auditor's Office the ability to communicate with the reporter if further information is required while retaining the anonymity of the reporter, if so desired by the reporter.

## **2.2 Reporting Procedure Regarding Council Concerns**

Members of Council are required to follow their Ethical Conduct Policy CC042, which came into effect July 1, 2013, and reflects other City policies including:

- Acceptable Use of City Technology Resources - Members of Council
- Administration Respectful Workplace Policy
- Transparency and Accountability Policy

As stated in the Ethical Conduct Policy, a Member of Council who believes a Member is in violation of the Ethical Conduct Policy may report their concerns in accordance with the Whistle-Blower Policy. All substantiated violations and reports relating to a member of Council made through the Whistle-Blower Program shall be reported by the City Auditor to Council in an in-camera Council meeting. A decision to apply one or more of the disciplinary actions requires a Council resolution.

During the reporting period, reports implicating Members of Council were investigated on a timely basis. In accordance with program procedures, the City Auditor discussed all substantiated allegations of policy breaches with Council, in camera. The Ethical Conduct Policy for Members of Council provides for any corrective and/or disciplinary action to be determined by Members of Council. As the policy guides that the outcomes of these investigations shall be raised in-camera, no further details on the nature of these investigations can be provided in this annual report.

## **2.3 Reporting Procedure for Sensitive Issues**

In May 2012, the Whistle-Blower Program added a new "Sensitive Report" feature available on reports submitted through the external service provider, ClearView Connects. This feature allows reporters with an alternative route to submit concerns that may implicate, or cannot be objectively reviewed by, the City Auditor and/or the Manager, Whistle-Blower Program.

Sensitive Reports are sent directly by ClearView Connects to the Audit Committee Chair, who is responsible for initial assessment and, as deemed appropriate, initiating investigations. In 2014 the Audit Committee Chair received six reports classified as Sensitive by the Reporter, all of which have been reviewed, actioned and closed prior to year-end

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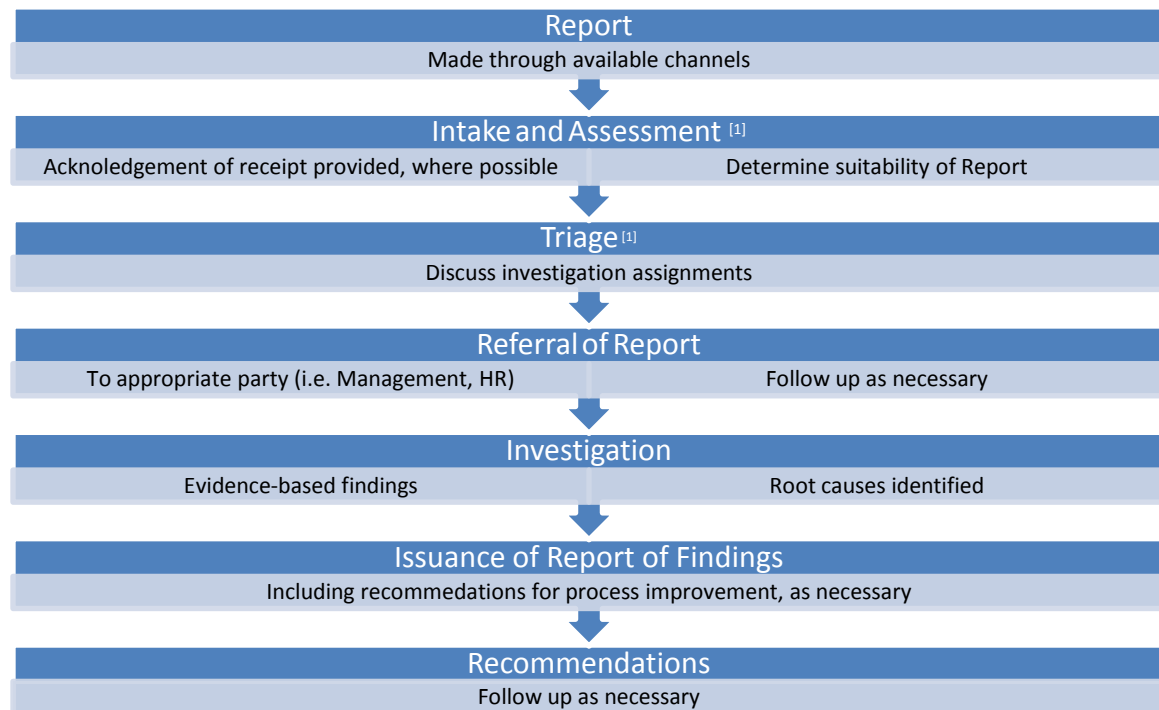
### 2.4 Reporting Procedure for Administration Concerns

All reports received through various mechanisms by the Whistle-Blower Program are initially assessed for meeting the requirements of a Whistle-Blower concern. In order for a thorough assessment of a complaint and/or investigation to be initiated, the following information is required from the reporter:

- Allegation of waste and/or wrongdoing as defined in the Whistle-Blower Policy;
- Specific and factual detail of the alleged waste and/or wrongdoing;
- Supporting documentation and other evidence; and
- Identity of individual(s) and/or business unit implicated in the alleged waste and/or wrongdoing.

Reports should not be based on hearsay, speculation, opinions or conclusions. Anyone filing a report must be acting in good faith and have reasonable grounds for believing the information disclosed indicates waste and/or wrongdoing. In accordance with the Policy, any allegations raised by employees that prove to be unsubstantiated and which prove to have been made maliciously or knowingly to be false may be subject to disciplinary action.

All administrative reports received through the Program are assigned an internal file number for tracking purposes and are included in the Whistle-Blower Annual Report to Audit Committee and Council. The Policy directs that all reports and allegations received through the Program are subject to an appropriate investigation and resolution. Reports are subject to the following assessment and investigation process to ensure that all reports are provided appropriate consideration and completion.



<sup>1</sup>Some matters are more appropriately addressed outside the Program parameters by respective policy owners (i.e. workplace violence is investigated by Corporate Security).

## 2.5 Triage Team

The Triage Team, as originally established by the Whistle-Blower Program in 2011, reviews reports submitted through the Whistle-Blower Program and determines investigative assignments. The Team's composition during 2014 included the City Auditor, Manager, Whistle-Blower Program, a Whistle-Blower Program Investigator, the Director, City Manager's Office, representatives from Corporate Security, and the Chief Security Officer.

The Triage Team is an integral part of the effectiveness of the Whistle-Blower office as members provide advice and support to the City Auditor to ensure that all reported concerns and allegations receive appropriate investigation as required by the Policy. The City Auditor has ultimate decision-making authority on the assignment of investigation cases.

## 2.6 Confidentiality and Whistle-Blower Protection

All information received by the Program is considered confidential and the identity of the reporter is protected to the extent possible. Due to the sensitive and personal nature of information collected during whistle-blower investigations, specific details are disclosed only on a need-to-know basis.

Reporter protection is extended to any City employee who meets the requirements of the definition of "Reporter" as defined in the Policy. Reporter protection is provided in two areas: confidentiality and reprisal for allegations made in good faith. Anonymous reporters are individuals who do not disclose their identity, and, as such, reporter protection against reprisals cannot be provided as their identity is unknown. Employees who believe they are the subject of such reprisals should contact the City Auditor. In addition, management is required to advise the City Auditor of any possible reprisals. Any allegations of reprisal brought to the attention of the City Auditor are immediately investigated and, where substantiated, referred to the City Manager for disciplinary action.

In 2014, no reports indicating acts of reprisal occurred against city employees who provided information in confidence to the Whistle-Blower Program, were received by the City Auditor.

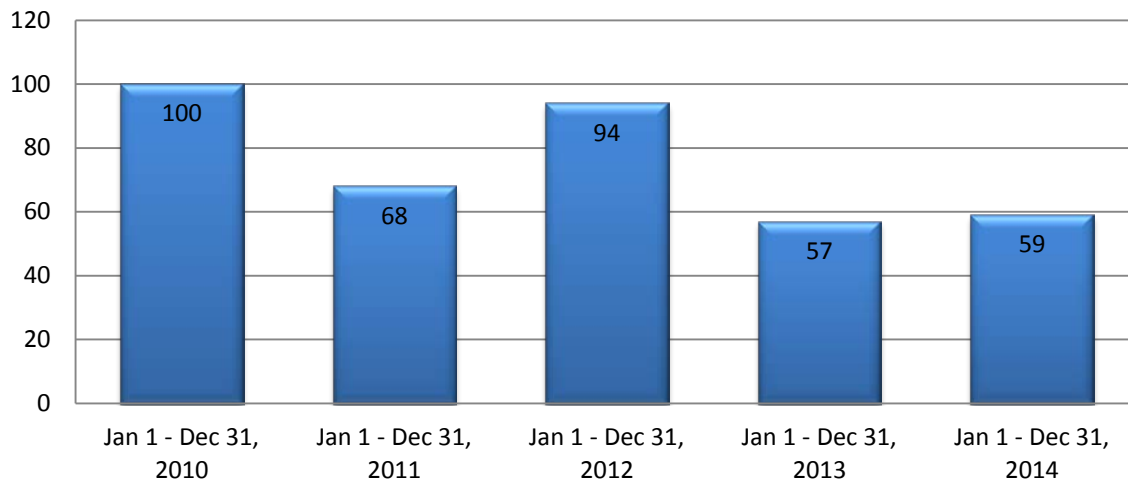


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### 3.0 Total Reports Received by the Program

Since its inception in July 2007, the Program has received 504 reports. All activity during the previous five years is shown below for trending purposes.

**Chart 2: Reports Received 2010 – 2014**



In addition to the new reports received during the reporting period, investigations were also conducted on ongoing investigations from previous years. Due to the complexity and varying nature of reported concerns, some investigations require extended periods of time to complete.

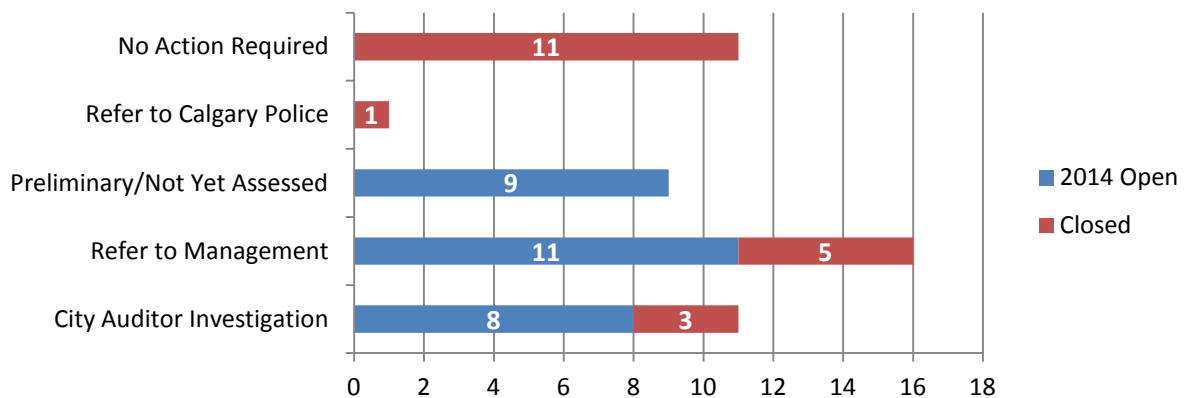
### 4.0 2014 Program Activity

#### 4.1 Status of Administrative Reports

The City Auditor's Office receives and assesses all reports in accordance with the Policy, internal protocols, and guidelines. The unique circumstance of each report requires the application of professional knowledge and judgment to determine appropriate action. The preliminary assessment includes assessing whether the report falls within the scope of the Policy, as well as the validity and sufficiency of the information provided. Of the 59 reports received during the reporting period, 48 matters pertained to administrative issues - **Chart 3** summarizes the status of those reports.

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Chart 3: Status of Reports as at December 31, 2014



**No Action Required**

No further action can be taken where reports contains insufficient information necessary to proceed with an assessment or investigation. This category includes the receipt of general comments and requests for general information about the Program. The report is then closed.

**Refer to Management**

Reports that are more appropriately addressed by management are referred to the General Manager of the department for further review and action. Once the investigation is completed, and a memo has been received from the General Manager outlining the results of management's review and any actions taken the file is closed.

**City Auditor Investigation**

A formal investigation has been initiated by the City Auditor's Office. The file is closed, upon conclusion of the investigation and when a discussion on appropriate corrective action is held with the General Manager of the associated department.

**Preliminary/Not Yet Assessed**

Reports that are not yet assessed and/or are awaiting additional information prior to a decision being made regarding disposition.

**Calgary Police Service**

Reports pertaining to the Calgary Police Service are referred in accordance with Section 43 of the Alberta Police Act. Once forwarded to the Calgary Police Service, the report is closed.

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### 5.0 Investigations

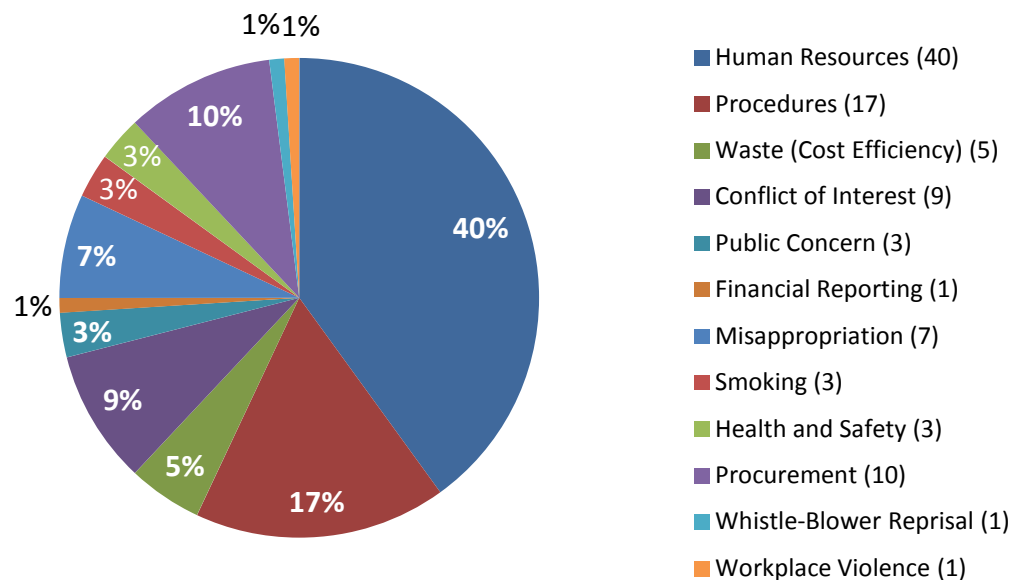
As demonstrated above in **Chart 3**, 27 of the 48 administrative reports received in 2014 resulted in further investigation by either the City Auditor's Office or Management. The remaining nine reports, still under preliminary assessment, may require investigation during 2015.

In addition to the new reports received during the reporting period, the Program continued to investigate 66 open files carried forward from prior years as well as seven 2013 files assessed in 2014.

#### 5.1 Types of Allegations Received

During the reporting period, the Program investigated 100 open matters comprised of reports from the current and prior years. **Chart 4** illustrates the types of allegations investigated.

**Chart 4: Investigations by Allegation for period ending December 31, 2014**



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### 6.0 Investigation Status

All investigations are conducted on a confidential basis in order to protect the identity of the reporter as well as the staff member implicated. This is to ensure the integrity of the investigation, avoid compromising any evidence, and to minimize the potential damage from reports that cannot be substantiated.

The determination of how an investigation is conducted, including the nature, extent, and order of procedures is made by the assigned investigator based on the circumstances of the case. Investigative procedures are developed for each case and may include identifying sources and types of evidence, gathering and reviewing relevant information, interviewing various parties, as well as completing analysis on the information gathered to reach a conclusion. Information may be obtained from a business unit, subject matter experts, the reporter, witnesses and anyone with specific knowledge relating to the nature of the allegation.

Investigations remain in progress until concluded as discussed earlier. **Table 1** below represents the status of the 27 new investigations undertaken during the reporting period as well as the 73 reports carried forward from prior years. The Table excludes nine reports received in 2014 which are either not yet assessed or in the preliminary stage.

**Table 1: Investigation Status as at December 31, 2014**

	Prior Year Cases	Current Year Activity			
Disposition	Open	Opened	Prior Year Closed	Current Year Closed	Outstanding (Dec 31, 2014)
No further action			7	4	
Substantiated			3	5	
Unsubstantiated <sup>2</sup>			11	4	
Refer to Management			0	2	
Total	73	27	21	15	64

As at December 31, 2014, 64 investigations remained in progress and without conclusion.

Of the 36 investigations closed in 2014, allegations from 8 investigations were substantiated. The details of these substantiated investigations are summarized in **Appendix A**.

<sup>2</sup> An unsubstantiated report does not necessarily mean the report is without merit.

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The following summaries of substantiated reports closed during the reporting period, resulted in the following actions:

#	Case Number	Details
1	2014-030	In a matter pertaining to a violation of the Respectful Workplace Policy, management removed disrespectful material and committed to conducting follow up inspection to ensure no recurrence.
2	2014-028	In a matter pertaining to a violation of the Respectful Workplace Policy, management provided coaching to the employees.
3	2014-015	In a matter pertaining to a violation of the Respectful Workplace Policy, management provided coaching to the employees.
4	2014-024	In a matter pertaining to a violation of the Conflict of Interest Policy, a letter of warning was issued to the employee.
5	2014-021	In a matter pertaining to a violation of the Accounts Receivables Payments and Credit Balances Policy, additional controls were implemented regarding the receipt and handling of cheques.
6	2013-042	In a matter pertaining to a violation of the Employment Policy, process improvements regarding employee performance reviews were undertaken by management.
7	2012-084	In a matter pertaining to a by-law violation by a Commission, governance and oversight revisions were implemented.
8	2011-064	In a matter pertaining to violations of the Conflict of Interest Policy and the Acceptable Use of the City Technology Resources Policy, management provided Code of Conduct training to employees.