

CORPORATE POLICY



Policy Title: **Employee Code of Conduct and Ethics Policy**
Policy Category: Human Resources
Policy No.: H-004
Department: Corporate Services
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Author: Human Resources
Attachments: Appendix A Procedure for Accepting Hospitality Invitations
Related Documents/Legislation:
Hiring of Relatives
Confidential Information
Communications Technology Use
Harassment and Discrimination
Violence In the Workplace Appendix A Additional Procedures for
Resolving and Investigating Workplace Violence
Progressive Discipline
Key Word(s): Conflict of Interest, Conduct

POLICY STATEMENT:

The City of Waterloo is committed to the principles of openness, ethical behavior and accountability in conducting its business affairs and maintaining the public trust. To safeguard the public trust employees must demonstrate the highest standards of ethical behaviour, integrity, honesty and professionalism in compliance with the Code of Conduct., The City also strives to protect the public trust by providing for the disclosure of any wrongdoing regarding business-related concerns in ensuring and protecting the City's reputation consistent with the City's healthy and safe community strategic pillar.

PURPOSE:

In conducting the business of the City of Waterloo, the Employee Code of Conduct and Ethics policy sets out a common baseline of ethical standards required of all employees as they serve our community. City staff is expected to comply with the corporate Code of Conduct policy, acting honestly and with integrity in carrying out their duties. In this regard also, staff is encouraged to disclose any business-related wrongdoing that they suspect may adversely impact the City and the public.

Mandatory Policy, *Municipal Act*: NO
Policy Administration Team, Review Date August 14, 2014
Corporate Management Team, Review Date August 20, 2014

DEFINITIONS:

Conflict of Interest is defined as any situation in which an employee or member of his or her family has a direct or indirect personal or financial interest such that they could influence a decision made by the City for personal or financial gain or or when their personal or financial interests may affect the performance of their job duties and/or adversely affect the reputation of the City of Waterloo as a public authority in the community.

Business Gifts and Benefits refer to any gift, payment, favour or any form of entertainment from a business associate offered to an employee and/or accepted by an employee

Ethical Misconduct refers to business-related wrongdoings including but not limited to any criminal, fraudulent, illegal or dishonest activity and constitutes a breach of trust.

Anonymous Reporting ensures that the identity of the person reporting the business related concern is kept confidential by reporting the concern to a third party. The identity of the person reporting is not disclosed to the City without the permission of the individual.

Hot Line is an anonymous reporting tool anyone can use when they have a concern about or wish to report a suspected incident of wrongdoing

Reprisal is any form of harassment, intimidation, dismissal, suspension, demotion, discipline or threat of dismissal, suspension, demotion or discipline directed at a staff member who, in good faith, raises a concern of wrongdoing.

SCOPE:

For the purposes of this policy, City staff will include all employees. The hot line is for use by employees. The hot line is not intended for general complaints made by the public about city staff or Council. The hot line is not to be used when employees make complaints regarding allegations of harassment or violence in the workplace.

The provisions of this policy are independent of the provisions of collective agreements between the City and its Unions relative to grievance procedures and to any other terms and conditions of employment.

POLICY COMMUNICATION:

The policy will be available on the City's intranet. A communication plan will inform staff and management about their respective responsibilities under this policy. New employees will receive a copy in their employment package and will be further informed during corporate orientation.

POLICY:

As a municipality entrusted with public funds, the City of Waterloo recognizes that it is only through the commitment and effort of each employee that service excellence is

achieved and that public trust is maintained. City of Waterloo staff is expected to demonstrate the highest standards of ethical behavior in applying the principles in this Code and in exercising good judgment when faced with ethical decisions by considering what is right, legal and fair. Contravention of this Code of Conduct is a serious matter and will be dealt with as disciplinary action and if appropriate, prosecution. The City ensures anonymous reporting protocol is in place to protect the confidentiality of anyone who reports business-related concerns and to ensure their protection from reprisal. Anyone who raises a concern while acting in good faith, even if it is later discovered that they are mistaken, will not be at risk of discipline or subject to any form of retribution as a result.

Conflict of Interest

Staff members should avoid activities or circumstances that create conflicts between their personal interests and their responsibilities as employees. Employees should avoid situations where their personal interests or the perception that their personal interests could influence any decisions they make on behalf of the City. Any employee obligation, interest or participation, which would or could interfere with the best interests of the City or the employee's independent exercise of judgment on behalf of the City, constitutes conflict of interest. Employees should disclose any obligation, interest or participation that would constitute a conflict of interest to their their Director, Commissioner or the CAO. If employees are unclear about whether the obligation, interest or participation could constitute a conflict of interest, they should consult with their Director, Commissioner or CAO. A conflict of interest includes the following without limitation:

- a) engaging in any business or transaction or having financial or other personal interest which is incompatible with the discharge of an employee's official duties;
- b) any activities which adversely interfere or conflict with an employee's regular duties at Waterloo;
- c) the use of Waterloo equipment, tools, materials, property or information in any form whatsoever, in the pursuit of supplementary employment including self-employment or personal benefit;
- d) any activities, representations or conduct outside of the course of employment which could appear to be official acts of Waterloo or could appear to represent the opinion or policy of Waterloo; and/or
- e) the purchase of goods or services from any Waterloo employees or any business entity, with the exception of publicly traded companies, in which the employee has a direct or indirect financial interest or over which the employee exercises control or direction.

Gifts and Benefits

In order to preserve the City's reputation of integrity, business gifts should be discouraged, unless of a nominal value of \$25 or less. Employees should not solicit or accept any gift, present, favor or any form of entertainment where its acceptance would place the employee under obligation or compromise. In this regard any gifts, payments, tickets or other items exceeding this nominal value should be returned to the sender with an acknowledgement and with reference to this Code of Conduct. Employees

should seek guidance from their Director, Commissioner or the CAO as appropriate if they have concerns or need to clarify if the hospitality event offered is an acceptable business courtesy. Alternatively, the hospitality item may be turned over to the employee's Commissioner to be made available to all department staff with an acknowledgement to the sender. Staff should refer to Appendix A Procedure for Accepting Hospitality Event Invitations

An employee may, at the expense of the City, purchase a meal for professional or business associates where a City of Waterloo business connection/established business relationship exists. The frequency and nature of this hospitality must be deemed appropriate by the Director, Commissioner or the CAO as an acceptable business courtesy in that staff can reciprocate a similar benefit to the provider or staff should advise the provider that they are not comfortable with costs associated with the meal and that they would not be able to reciprocate.

Fraud and Misconduct

Employee misconduct in terms of business related wrongdoings is not tolerated and will be subject to disciplinary action and even prosecution where appropriate. Employee misconduct includes but is not limited to the following:

- Theft embezzlement or misappropriation of funds, good and supplies, resources and other assets or time;
- Fraud;
- Misuse of abuse of authority in the context of purchasing supplies or services
- The use of city money, property, resources or authority for personal gain or other non-city business related purposes except as provided under City policy or approval;
- Conflict of interest (when personal interest influences the objective exercise of one's duties);
- Breach of confidentiality;
- Showing undue favour to a contractor or supplier of good/services;
- Breach of or failure to implement or comply with a City department or corporate policies or procedures;
- Illegally obtaining money including solicitation and/or acceptance of bribes; or
- Intentionally providing false or incomplete information including falsification of records.

Code of Conduct Responsibilities

The management of the City of Waterloo is accountable for protecting the assets of and the public trust in Waterloo. Toward this end, management must make every effort to establish and maintain adequate systems, procedures and controls to prevent and detect fraud, theft, breach of trust, conflict of interest, bias and any other form of wrongdoing.

The Commissioner of Corporate Services is responsible for the management of the process to report any business-related wrongdoing. Management staff is responsible to support the reporting process and to encourage staff to raise concerns without fear of reprisal.

Staff is responsible for raising concerns about any business-related wrongdoing about which they become aware or have suspicions. Every employee is expected to be aware of and act in compliance with the Code of Conduct and its related policies. Violation of this Code of Conduct and its related policies is a serious matter. Any employee, who has contravened these requirements, will be subject to appropriate disciplinary action.

Code of Conduct Violations

Raising a Concern or Reporting a Wrongdoing

Any staff member who has a concern that another staff member's actions constitute potential business-related wrongdoing is responsible to raise the concern using one of the following three options

- i. Anyone who believes they have witnessed or have knowledge of City business being conducted in an unethical and dishonest manner is encouraged, whenever possible, appropriate or reasonable, to make their concern known to the offending person.
- ii. If the individual raising the concern does not feel they can or should appropriately confront the offender, they can speak directly to their immediate manager, the director of their division or the Commissioner of their department or the Director, Human Resources.
- iii. If the individual cannot address their concern to the management staff mentioned previously or the offender, the individual should access the hot line to report a concern.

Confidentiality

All concerns received are treated as confidential whether received anonymously or not. The identity of individuals who leave their name and contact information when using the hot line will remain confidential unless the express permission of the individual has been obtained or unless the circumstances pertaining to the concern require that it be reported to the police. In these circumstances, the law may require disclosure of the identity of the reporting individual in legal proceedings.

Reprisal

The City does not tolerate any action in reprisal of a city staff member who has disclosed a concern of wrongdoing or suspected wrongdoing.

Any such person who believes they are the subject of reprisal for disclosing a concern of wrongdoing can advise the Director, Human Resources or the Chief Administrative Officer or report their concerns using the hot line.

When a management staff member becomes aware of reprisal against a staff member, as a result of disclosure of a concern of wrong doing, the management staff informs the Director, Human Resources or the Commissioner, Corporate Services.

All allegations of reprisal are investigated and anyone engaged in reprisal is subject to discipline up to and including termination of employment.

Investigation Process and Outcomes

All investigations are conducted in a thorough, fair and objective manner by an impartial investigator.

Concerns raised to management staff or received via the hot line are sent to all members of CMT. Any concern raised to management staff or via the hot line that involves a member of CMT will be sent directly to the Director Human Resources and the Director of Legal Services.

The concern or hot line report is assigned by CMT to an investigator or investigation team. Unless determined otherwise by CMT, internal investigations are led by the Director, Human Resources.

The Director, Human Resources and the investigation team, as applicable, conducts the investigation which includes discussions with the disclosing staff member, if not anonymous, the party against whom the allegations of misconduct have been made and any witnesses as appropriate.

Staff members who raise concerns or make a report using the hot line, are informed of the disposition of their concern or report to the extent possible that there may be over riding legal or public interest issues.

When the outcome of an investigation finds the offender guilty of wrongdoing, the offender is subject to disciplinary action up to and including termination of employment and prosecution.

Dealing with False and Malicious Allegations

The City deals with each allegation seriously and ensures thorough and objective investigation of all concerns and reports of alleged wrongdoing. Any allegations that cannot be substantiated and which prove to have been made with malicious or false intent will be deal with as disciplinary action up to and including dismissal for cause.

COMPLIANCE:

In cases of policy violation, the city may investigate and determine appropriate corrective action.