

NUMBER	TITLE	
HRS-1111	Whistleblower Protection	
DEPARTMENT	APPROVAL DATE	REVISION DATE
Human Resources	September 15, 2017	

Purpose

The purpose of this directive is to establish and maintain a system to prevent, report and investigate suspected fraud as well as to protect employees from retaliation for reporting suspected fraud.

Directive

The City shall ensure that reporting and investigation procedures are available to prevent fraud. This directive is established to ensure accountability by providing a venue to confidentially report suspected fraud without fear of retaliation.

Scope

This directive applies to all City employees and volunteers. Provisions are also included for contractors who provide a service to the City of St. Albert.

Delegations

The City Manager delegates authority to the General Manager of Corporate Services to implement this directive. Roles and responsibilities are assigned to personnel as noted below.

Definitions

“Complainant” means a person who alleges that an offense or violation has taken place

“Fraud” means an act committed by an individual who, by deceit, falsehood, or other fraudulent means, whether or not it is a false pretense, defrauds or attempts to defraud the City, whether ascertained or not, of any property, money, or valuable security or any service, typically involving but not limited to the use of a dishonest

act or omission in an attempt to gain some improper personal benefit or advantage, but can also include the abuse of authority, assigned to or entrusted upon an individual by the City, to achieve an improper end. Fraud may include, but is not limited to:

- theft by lying or deception;
- bribes, corruption and embezzlement;
- forgery or alteration of cheques, drafts, promissory notes, or securities;
- misappropriation of funds, securities, supplies, or other City assets;
- improper handling or reporting of money transactions;
- violation of public trust or duty; and
- misuse of one's position for personal gain.

“Respondent” means a person who is alleged to have committed an offense or violation.

“Retaliation ” means an oral or written reprimand, suspension, termination, loss of advancement opportunities, change in duties, reduction in pay, change in reporting structure, change in work location, harassment, threats, coercion, interference or intimidation directed at an employee who in good faith makes a report, or participates in an investigation with respect to a suspected fraud, violation of any City Policy, directive, procedure, or any other rule or expectation respecting the conduct of employees.

“Third Party Provider” means an arms-length external party contracted by the City to receive and conduct initial reviews of complaints in reference to this Policy.

Responsibilities

1. The City Manager shall:
 - a) be notified of all reports of fraud, the findings of any investigations and the corrective actions;
 - b) determine the course of action when a claim is substantiated in collaboration with the General Manager of Corporate Services and in accordance with the Disciplinary Action directive;
2. The Third Party Provider shall:
 - a) receive all incoming reports of fraud, conduct a validity check to determine if the complaint is valid and forward all valid reports to the General Manager of Corporate Services for investigation and invalid reports for processing and filing.
3. The General Manager of Corporate Service shall:
 - a) review all allegation reports and, if an investigation is deemed necessary, assign the investigation to the appropriate department (i.e. Finance) or external investigator;
 - b) assign a Human Resources representative who is trained in investigation processes to facilitate the investigation;

- c) determine the appropriate course of corrective action based on the findings of the investigation; and
 - d) receive all reports of retaliation and assign the investigation to Human Resources.
 - e) determine the course of action when a claim is substantiated in collaboration with the City Manager and in accordance with the Disciplinary Action directive;
4. The Director of Human Resources shall:
- a) receive and investigate any claims which lead to a respectful workplace complaint in accordance with the Respectful Workplace directive;
 - b) assign a Human Resources representative to facilitate the investigative process for allegation complaints; and
 - c) assign a Human Resources representative to investigate any retaliation complaints and determine appropriate corrective action.
5. Employees in Leadership positions shall:
- a) be familiar with the types of fraud that might occur within their area of responsibility and be alert for any indicators of such conduct;
 - b) be a role model for appropriate behavior and ensure awareness of and compliance with all directives; and
 - c) create a safe environment for employees to bring forward complaints and ensure no person suffers retaliation as a result of providing information.

Expectations / Guidelines

6. Employees will be guided by the following principles:
- a) employees will exercise due diligence and control to prevent, detect, and report suspected fraud;
 - b) all suspected incidents of fraud should be reported in good faith to the Third Party Provider within one (1) year of becoming aware of the issue;
 - c) reports of fraud must comply with the definitions contained in the policy and shall not include complaints relating to matters that are considered under other policies or directives (for example, respectful workplace complaints);
 - d) all reports of possible fraud will be taken seriously and will be promptly reviewed;
 - e) employees will be protected from retaliation when reporting incidents or participating in investigations;
 - f) employees will fully cooperate with the Third Party Provider and other relevant authorities to investigate and resolve any suspected fraud or acts of retaliation; and
 - g) confidentiality of fraud reports will be preserved wherever possible.

Employees may choose not to reveal their identity when reporting suspected fraud, and all reasonable efforts will be made to keep the reporting employee's

identity confidential during investigations. However, anonymous complaints may hinder the ability to investigate reports and prevent the investigator from seeking clarification to substantiate the claim. Therefore, anonymous complaints may be result in the inability to take action on the complaint.

7. *Filing a fraud report*

- a) Any employee who suspects fraud has occurred with the City must report the incident to the Third Party Provider for investigation in writing.
- b) All reports should contain the following content:
 - i. a description including the activity or activities involved in the alleged fraud;
 - ii. the name of the individual or individuals allege to have committed the possible fraud;
 - iii. the date of the possible fraud;
 - iv. an explanation of any perceived risk to the City;
 - v. an explanation of any perceived interest, gain or reward; and
 - vi. an explanation of any perceived violation of relevant policies or laws.
- c) Employees will not be penalized for reporting in good faith, even if, upon investigation, the allegation is unfounded. The employee (Complainant) will be protected from retaliation. If necessary, either the complainant or the respondent may be temporarily reassigned during the investigation which is not considered retaliation.
- d) An employee who does not act in good faith or makes an allegation without having reasonable grounds for believing it to be substantially true, or who makes it maliciously or for the purposes of personal gain, may be subject to discipline in accordance with the Disciplinary Action directive.

8. *Fraud Investigation*

All fraud reports must be submitted to the Third Party Provider who will then assess the validity of the complaint. Incidents of suspected fraud will be assessed and investigated as follows:

- a) The Third Party Provider will receive a complaint involving any employee (regardless of that employee's position, title, or length of service), volunteer or contractor providing a service to the City of St. Albert and will acknowledge receipt within 7 days;
- b) Complaints may be submitted anonymously, however the Third Party Provider has no obligation to forward an anonymous allegation to an investigation if there is no reasonable expectation to be able to substantiate the complaint;

- c) In circumstances where there are reasonable grounds to believe that fraud or another criminal act may have occurred, the Third Party Provider will contact the RCMP. The City will cooperate fully in any subsequent investigation;
- d) The Third Party Provider will inform the City Manager of suspected fraud complaints and forward the complaint to the General Manager of Corporate Services for investigation.
- e) The General Manager of Corporate Services will take appropriate action to prevent the alteration or destruction of documents or other evidence that might be relevant to the investigation;
- f) If the complaint warrants investigation, the General Manager of Corporate Services will generally assign the investigation to the department which has the primary responsibility based on the details of the complaint (i.e. monetary fraud would be assigned to the Director of Finance). Complaints related to respectful workplace will be directed to the Director of Human Resources to follow the process outlined in the Respectful Workplace directive;
- g) The investigation will then be completed jointly with the head of the assigned department or branch and a Human Resources representative who is trained in conducting investigations. The investigation team will notify the respondent within 7 days of being assigned to the investigation and the investigation will be conducted in a reasonable timeframe
- h) The investigation team will submit a confidential report of the findings to the General Manager of Corporate Services;
- i) Where the allegations of fraud are substantiated, the General Manager of Corporate Services will determine the course of action in collaboration with the City Manager and in accordance with the 2.05 Disciplinary Action directive;
- j) The respondent will be given notice in writing of the findings and the consequences;
- k) The City will make every reasonable effort, including court-ordered restitution, to pursue the recovery of City losses from the offender or other appropriate source(s);
- l) The General Manager of Corporate Services will assign the appropriate department head to conduct a review to assess the adequacy of controls in place to safeguard the City's assets against fraud. In those situations, where the control mechanisms have not adequately safeguarded City assets, the department head will identify the cause(s) of the failure, and will issue a report to the City Manager and the General Manager of Corporate Services including recommendations in order to minimize future risk;
- m) If there is a valid reason to do so (such as unsubstantiated reports), the investigation team or General Manager of Corporate Services may cease the investigation;
- n) It should be noted that if the complaint implicates the General Manager of Corporate Services, the complaint will be handled by the City Manager. If the complaint implicates the City Manager, the complaint will be handled by Council.
- o) All employees receiving reports of suspected fraud, or that are involved in an investigation, must keep the details and results of the investigation confidential. This means disclosure is only permitted to those who have a

legitimate need to know, and such disclosure shall be restricted to what must be disclosed to ensure a thorough, effective, and complete investigation/response, or as otherwise required by law.

9. *Retaliation Reporting*

If an employee believes that retaliation has occurred for bringing forward a complaint, the employee may submit a written complaint to the General Manager of Corporate Services within six months of the date the employee knew or ought reasonably to have known that the alleged retaliation occurred.

- a) The retaliation complaint must include:
 - i. name and work address of the complainant;
 - ii. name and title of each City employee against whom the complaint of retaliation is made;
 - iii. the specific nature of the retaliation;
 - iv. the specific date(s) of retaliation;
 - v. a statement as to the facts that form the basis of the complaint of retaliation; and
 - vi. a statement of the complainant's explaining how their reported allegation and/or participation in an investigation, proceeding, or hearing is related to the retaliation.

10. *Retaliation Investigation*

- a) Upon receipt of a retaliation complaint, the General Manager of Corporate Services will appoint a Human Resources representative who is not involved in any aspect of the complaint. The Human Resources representative will investigate, make determinations, and report the outcome to the Director of Human Resources. The Director of Human Resources will coordinate with the General Manager of Corporate Services to make final determination on the appropriate course of action. The findings will be provided to the complainant in writing. The findings and any corrective actions, if applicable, will be provided to the respondent in writing.
- b) All employees receiving or investigating retaliation complaints must keep the details and outcome of the investigation confidential. This means disclosure is only permitted to those who have a legitimate need to know, and such disclosure shall be restricted to what must be disclosed to ensure a thorough, effective, and complete investigation/response, or as otherwise required by law.

Legal References –

Cross References –

HRS - 2.03 Respectful Workplace Directive

HRS – 2.04 Code of Conduct Directive

HRS –2.05 Disciplinary Actions Directive

SIGNATURE	DATE