

WHISTLEBLOWER PROGRAM ROADMAP

March 24, 2022



Introduction

The Whistleblower Program is an important element in preventing and detecting fraud, corruption and other undesirable conduct within an organization. It is also viewed as a critical component of the internal control system and the effective achievement of good governance. An effective Whistleblower Program supports a healthier, safer work environment and improves employee morale. It also demonstrates to both public and employees that City Council is taking its governance obligations seriously.

The City of Saskatoon's (City) Policy No. C04-028 Whistleblower Protection Policy (Policy) was developed in September 2020 which laid the foundation of the Whistleblower Program at the City. The Policy provides protection to employees to report complaints related to issues of wrongdoing, enable creation of procedures for the prevention, detection, reporting and investigation of issues of wrongdoing and encourage City employees to report allegation of wrongdoing without any fear of reprisal.

The Policy defines wrongdoing as Illegal, harmful, or inappropriate conduct including, but not limited to:

- a) Crime or suspected criminal activity, including theft, fraud, and embezzlement;
- b) Breach of Code of Conduct or any other City Council or Administrative Policies;
- c) The wrongful or unauthorized acquisition, use, appropriation, or disposal of City assets, including cash, information, data, records, materials, labor, or equipment;
- d) The violation of public trust or duty;
- e) The misuse of position, authority or gross mismanagement of City funds or City assets for personal gain;
- f) Failure to follow any civic policies regarding monetary transactions, cash handling, use of signing authority, competitive bidding, purchasing, or procurement;
- g) Any claim for reimbursement of expenses not incurred for the exclusive benefit of the City; and
- h) Knowingly directing or counseling a person to commit wrongdoing mentioned in clauses (a) to (g).

The Policy provides responsibility to the City Internal Auditor to receive in confidence all reports of alleged wrongdoing, oversee the investigation of allegation of wrongdoing and provide confidential reporting to City Council from time to time, on any violations of the policy.

Prior and Current State

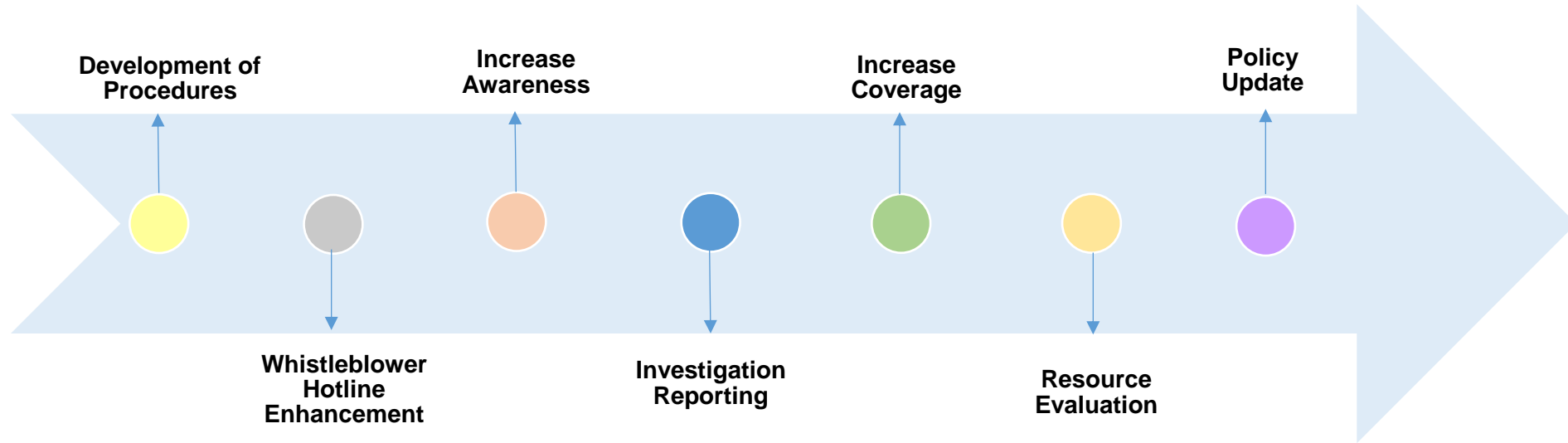
Prior to April 2021, the Whistleblower Program was overseen, on an interim basis, by a Whistleblower Oversight Committee which consisted of appointed department heads at the City. In April 2021, the City established the City Internal Auditor's Office and hired a City Internal Auditor, oversight for the Whistleblower Program was then transferred to the City's Internal Auditor Office. Currently, all complaints related to the concerns of wrongdoing are received by the City Internal Auditor's Office for assessment and investigation.

Approach

To enhance the Whistleblower Program at the City and to bring the program in line with the best practice, the City Internal Auditor followed the following process when developing the roadmap:

- The current Whistleblower Program at the City was compared with other municipal whistleblower programs and improvements were identified.
- The current Whistleblower Protection Policy for the City was reviewed and elements in the policy were considered in the development of the road map.
- Reviewed guidelines provided by the Government of Saskatchewan in implementing whistleblowing in Saskatchewan Municipalities.
- Obtained feedback from independent experts in developing the whistleblower roadmap.
- Reviewed materials published by the Institute of Internal Auditor's and other professional bodies on best practices related to whistleblowing practices.

Whistleblower Program Roadmap



Development of Procedures

The Policy was approved by the City Council in September 2020 and enables the creation of procedures for prevention, detection, reporting and investigation of suspected wrongdoing, as well as processes for reporting and resolving complaints of retaliation.

The City Internal Auditor's Office will develop procedures related to prevention, detection, investigation and reporting of suspected wrongdoing which will supplement the Policy and will provide further guidance to the whistleblowers and other stakeholders involved in the process. The procedures also define roles and responsibilities of various departments involved in the investigation process and provides protection and support to the whistleblower against any written or verbal reprisal. Consultations will be conducted with internal departments such as Human Resources and City Solicitor's Office as well as independent experts, where required. The procedures will be completed by September 30, 2022.

Enhancement of the Whistleblower Hotline

The City has engaged an independent third party, MNP LLP (MNP) to provide whistleblower hotline services. The Whistleblower Hotline can be accessed 24/7/365 by telephone, email, and web portal. All complaints received by MNP are forwarded to the City Internal Auditor's Office for evaluation and investigation.

The current Whistleblower Hotline is not comprehensive and lack key features such as a secured case management system which is used to view the details of the complaint, communicate with the whistleblower and manage reports. Currently, the City is dependent on MNP to provide the complaint details due to lack of a secured portal. Any follow-up questions for the whistleblower are sent to MNP who then reaches out to the whistleblower if contact information has been provided. The current hotline also lacks the ability for the whistleblower to log into the system to check for any updates in relation to the complaint. The whistleblower is required to call the MNP's Whistleblower Hotline to obtain any updates on the complaint.

As part of the plan, the City Internal Auditor's Office will procure a new Whistleblower Hotline service that will provide features such as wide accessibility, case management system, anonymous two-way dialogue, multilingual capability, detail audit trail, customization, anonymous reporting capability and secured data storage and encryption. Financial implications related to the procurement of a new Whistleblower Hotline will be assessed and approval of additional budget funding may be requested. Procurement of the new hotline expected by December 31, 2022.

Increase Awareness of the Whistleblower Program

The City Internal Auditor's Office will implement strategies to increase awareness of the Whistleblower Program at the City. This will include conducting whistleblower awareness sessions for employees, promoting the Whistleblower Program on MyCity page, presenting at various departmental and divisional meetings etc. The awareness sessions will also focus on the support and protection provided to the whistleblower against any written or verbal reprisal. The awareness of the Whistleblower Program will be a continuous process and feedback received through awareness sessions and periodic surveys will help in strengthening the Whistleblower Program at the City.

Reporting of the Whistleblower Investigation

The City Internal Auditor issues an investigation report to the City Manager after completion of a whistleblower investigation. As part of the mandate, the City Internal Auditor's Office will obtain regular status updates from Administration on the audit recommendations arising from the investigations and will do follow-ups to assess the audit recommendations are effectively implemented.

A summary of the whistleblower complaints, investigation results and the recommendations arising from the investigations will be shared with the Standing Policy Committee on Finance on a semi-annual basis. In addition, a summary of the whistleblower complaints and investigations will be provided in the annual report prepared by the City Internal Auditor.

Increase Coverage for Whistleblowing

Currently, employees at the City can report concerns of wrongdoing through a whistleblower hotline. Research conducted on best practices and the whistleblower programs for other municipalities such as the City of Calgary and City of Winnipeg showed that in addition to employees, contractors and public can also report suspected wrongdoing using the whistleblower hotline. Also, their whistleblowing program includes reporting of suspected wastage.

The City of Saskatoon plans to enhance the whistleblower program to include reporting by contractors and public in two phases:

- Phase 1, of the whistleblowing program will be expanded to include contractors, sub-contractors, starting July 1, 2023.

- Phase 2, of the whistleblowing program will be expanded to public starting July 1, 2024 and will also cover reporting of any suspected act of wastage. Waste refers to the misuse, and/or inefficient use of the City's resources.

The City Internal Auditor's Office will develop plans and strategies to promote the whistleblowing program to contractors and public.

Resource Evaluation

The City Internal Auditor will evaluate the resource requirements in relation to the enhancement of the Whistleblower Program and will develop a resource requirement plan which will be presented to the Standing Policy Committee on Finance for discussion and approval by January 2024.

Updating the Whistleblower Protection Policy

The Policy was approved by the City Council in September 2020. The City Internal Auditor will update the Whistleblower Protection Policy based on the enhancements made to the Whistleblower Program and will also assess the policy against best practice. The revised Policy will be presented to the Standing Policy Committee on Finance in June 2024 for a recommendation to the City Council for approval.