

THE CORPORATION OF THE CITY OF VAUGHAN

CORPORATE POLICY

POLICY TITLE: ETHICS AND COMPLIANCE POLICY

POLICY NO.: 02.A.05

Section:	Accountability & Transparency		
Effective Date:	March 23, 2023	Date of Last Review:	March 23, 2023
Approval Authority: Administration	Policy Owner: City Manager		

POLICY STATEMENT

The Ethics and Compliance Policy (“Policy”) provides a set of key principles to guide City of Vaughan staff in their daily actions, choices and decision making. The policy works to create and promote a positive culture of ethical behaviour and trust.

The Policy will be made available to all employees by providing it at the time of employee onboarding and orientation, by inclusion in the New Employee Handbook, and by making it available and accessible on the City of Vaughan’s (the “City”) intranet site.

Under this Policy are several related policies, such as the Employee Code of Conduct, which employees shall be required to acknowledge and sign-off on a yearly basis and/or from time to time, as necessary.

PURPOSE

To create a positive culture of ethical behavior and trust by continuing to instill values of respect, accountability, dedication, and integrity in our staff.

The objective of this Policy is to provide employees with principles and guidelines on ethics at the City of Vaughan and the City’s position and approach on various ethical matters. The City trusts staff use their best judgment and provide staff with support and guidance (including guides) to use if unsure about how one should act (e.g., in cases of conflict of interest).

The City of Vaughan expects its employees to conduct themselves in an ethical manner that reflects the City’s commitment to the principles of honesty, transparency,

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integrity, trustworthiness, objectivity, diligence, and professionalism in delivering services to the public and in their interactions within the workplace. This policy aligns with the City of Vaughan's core values of respect, accountability, and dedication and integrity is woven into each of those values.

City employees must follow standards of ethical and professional behavior in the course of their work to ensure that public confidence and trust is maintained. This Ethics and Compliance policy ensures expectations for ethical conduct are understood and establishes standards designed to promote and protect the public interests and enhance public confidence and trust in the integrity, objectivity and impartiality of the City and its employees.

SCOPE

This Policy applies to all employees of the Corporation of the City of Vaughan and includes:

1. All full time and part time employees
2. All permanent, contract, seasonal and temporary employees
3. All students and interns
4. All volunteers

LEGISLATIVE REQUIREMENTS

Not Applicable

DEFINITIONS

1. **Conflict of Interest:** A situation in which private or personal considerations, including pecuniary interests and personal interests, could affect an employee's judgment in acting in the best interests of the City and the public's interest.
2. **Ethical Behavior:** The application of moral principles, standards of behavior, and a set of values regarding proper conduct in the workplace. This includes the principles of conduct governing the City's employees based on honesty, transparency, integrity, trustworthiness, objectivity, diligence, and professionalism and consistent with the City's values of Respect, Accountability and Dedication.
3. **Fraud or Fraudulent Activity:** Wrongful or criminal deception intended to result in personal or financial gain. May include intentional perversion of truth in order to induce another to part with something of value or surrender a legal right. Also includes the act of deceiving or misrepresenting.

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4. **Pecuniary Interests:** Interests that have a direct or indirect financial impact and include any matter in which an employee has a financial interest, or in which an employee is a shareholder, director or senior officer or holds controlling interest in a corporation and that corporation has a financial interest, or in which the employee is a partner of a person or is in the employment of a person that has a financial interest, or in which a parent, spouse, same sex partner or child of an employee has a financial interest, if known to the employee.
5. **Personal Interests:** Involves forms of advantage other than financial such as seeking employment, an appointment, promotion, or transfer with the corporation on behalf of a family member.

POLICY

The Ethics and Compliance Policy provides overarching principles to guide staff on ethics at the City of Vaughan and the City's position and approach on various ethical matters.

The City of Vaughan strives to protect its employees, vendors, customers, citizens, and the public from any illegal, unethical, fraudulent, or damaging actions committed by employees, either knowingly or unknowingly.

All City of Vaughan employees are required to comply with this policy and be aware of the policies, procedures, laws, and regulations that affect their job.

GUIDING PRINCIPLES & FRAMEWORK

PRINCIPLES

The Policy is based upon five key principles:

1. **Strategy:** Ethics and compliance is central to business strategy.
 - Strategic goals for the organization include goals related to Ethics & Compliance
2. **Risk Management:** Ethics and compliance risks are identified, owned, managed, and mitigated.
 - The Ethics and Compliance framework is nimble and adjusts regularly to identified and prioritized risks.
3. **Culture:** Leaders at all levels across the organization build and sustain a culture of integrity.
 - Leaders are knowledgeable about and assume responsibility for their role as ethical leaders in the organization.

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4. **Speaking Up:** The organization encourages, protects, and values the reporting of concerns and suspected wrongdoing.
 - Employees are aware of the organization’s policy on “no retaliation.”
5. **Accountability:** The organization takes action and holds itself accountable when wrongdoing occurs.
 - The code of conduct makes clear that there are consequences for violations.

FRAMEWORK

The above principles are the foundation for the framework and tie into the five major components of this policy’s framework:

1. Vision and Objectives

This component of the framework aligns with the Strategy principle and ensures:

- Commitment to respect, accountability, dedication, and integrity in all that we do
- Communication of the vision and common objectives
- Alignment of purpose toward achieving the vision
- A positive culture of Ethics and Compliance at the City of Vaughan is central to our business strategy and will continue to be supported and nurtured

2. Governance

This component of the framework aligns with the Accountability principle and ensures:

- A sound culture of ethics is engrained throughout the organization
- Accountability and oversight by senior leadership on a quarterly basis
- Roles and responsibilities of leaders and staff are identified. E.g., role of business leaders in communicating and ensuring policy compliance as part of the work culture in their teams

3. People and Training

This component of the framework aligns with the Culture principle and ensures:

- Staff engagement and accountability for culture of ethical behavior & trust
- Staff confidence to do the right thing even when no one is looking
- Staff training and supports
- Tools to identify and manage ethical dilemmas; address “grey area”. E.g., Self-assessment, early issue spotting and prompt remediation of compliance gaps are recognized

4. Policies and Process

This component of the framework aligns with the Risk Management principle and ensures:

- Policy development and review are aligned with principles and framework
- Policies reflect good governance and ensure business is conducted in an

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open and transparent way

- Periodic assessments of current policies and procedures to address changing needs and reduce E&C risk are conducted as existing policies are reviewed/refreshed. As new policies are developed, they will be developed with an ethics lens and based on the ethics and compliance principles.

5. Tools

This component of the framework aligns with to the Speaking Up principle from ECI and ensures:

- Tools are available to support staff in ethical decision-making
- Staff feel prepared and empowered to address “grey area” situations
- Employees aware of available resources to support speaking up
- Risk assessments and mitigations
- Culture metrics (element of business unit performance on ethical culture)

ETHICS GOVERNANCE AND OVERSIGHT

To ensure that ethics is a priority at the City of Vaughan and remains top of mind, Ethics and Compliance will be included as a quarterly item on the Senior Leadership Team – Executive agenda. This will ensure the City continues to evolve and refine the ethics and compliance framework.

These SLT-E ethics check-ins will ensure timelines are met for ethics reviews and that updates are made as required; build out processes where there may currently be gaps (e.g., Conflict of Interest process; investigation process, etc.); and compile lessons learned. Senior leaders will provide advice to enhance training content staff are required to acknowledge or be certified in.

Separate investigation processes are illustrated within specific policies such as the Employee Code of Conduct. It is important to note that any violations or complaints still go through established Office of the Chief Human Resources Officer (OCHRO) or the Anonymous Reporting System processes, as appropriate.

RELATED POLICIES, PRACTICES, AND TOOLS

Currently the City of Vaughan has several policies, practices and tools that are used to support ethical behavior, including but not limited to, the Employee Code of Conduct, Respectful Workplace Policy (Human Rights And Anti-Discrimination/Harassment), Workplace Violence Policy, Acceptable Use of Information Technology Policy, Annual Corporate Policy Acknowledgement, and the Anonymous Reporting System.

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ADMINISTRATION

Administered by the Office of the City Clerk.

Review Schedule:	SELECT 3 Years	Next Review Date:	March 1, 2026
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Related Policy(ies):	13.C.01 – Respectful Workplace Policy (Human Rights And Anti-Discrimination/Harassment), 13.C.03 – Workplace Violence, CL-011 – Code of Ethical Conduct for Members of Council; 13.A.02 – Employee Code of Conduct; 14.A.01 – Acceptable Use of Information Technology
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Related By-Law(s):	
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Procedural Document:	
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Revision History

Date:	Description:
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23-Mar-23	Establishment of Policy
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