



**ADMINISTRATION
POLICY:**

Conflict of Interest

Policy number: HR-LR-004
(B) ALT report: N/A
Approved by: Administrative Leadership Team
(ALT) Effective date: 2019 / 06 / 01
Next revision due: 2022 / 06 / 01
Department/BU: Chief Financial Office / Human Resources (Labour Relations)

BACKGROUND

Integrity and trust are cornerstones of the relationship The City of Calgary (The City) has with its citizens. To maintain this trust, City employees are expected to put aside their personal and private interests when performing their duties, and avoid conflicts of interest as outlined in this policy. By ensuring that the work they do is not influenced by their personal or outside interests, and by providing services to citizens in a way that is objective and impartial, employees are demonstrating The City’s corporate values.

It is understood that the private interests of an employee may change over the course of their employment. For that reason, an employee has an ongoing obligation to remain aware of possible conflicts of interest.

In the event employees find themselves in a situation which may constitute a conflict of interest, they must disclose this information to their immediate Exempt supervisor as soon as the possibility is known to them. The employee and their supervisor must determine whether a conflict of interest exists and, if so, agree on a plan to manage or eliminate the conflict.

If an employee feels they cannot discuss their situation with their immediate Exempt supervisor, or cannot reach a mutually acceptable plan to manage or eliminate the conflict with their immediate supervisor, the employee can seek advice and support from any of the following sources:

- their Manager, Director or General Manager

- City Auditor's Office
- Corporate Security
- Law – Legal Services
- HR Business Partner
- Labour Relations, Human Resources

This policy is supported by: The Code of Conduct Policy, Employment Policy, *Local Authorities Election Act*, Procurement Policy, *Freedom of Information and Protection of Privacy Act* (FOIP Act), Acceptable Use of Technology Resources Policy, Information Management and Security Policy and the Reimbursement of Employee Business Expenses Policy.

PURPOSE

The purpose of this policy is to:

- Protect the reputation of the Corporation of The City of Calgary (“The City”);
- Describe what The City expects regarding avoidance of Conflict of Interest;
- Protect the interests of both The City of Calgary and a City employee by providing a standard by which questions of conflicts of interest may be gauged; and
- Provide information regarding various types of Conflicts of Interest. The information is not intended to be exhaustive

DEFINITIONS

1. Business Associate – Any person legally linked with the employee, including but not limited to, in business contracts, partnerships, firms, enterprises, franchises, trusts, joint ventures, finances, real estate, or in other for-profit legal entities or agreements.
2. City Assets – Include, but are not limited to, City buildings and land, equipment, supplies, stores, vehicles, materials, technology resources, financial assets, information and work time.
3. Confidential Information – Is any information which is not public property, is not in the public domain, and/or would cause harm to individuals or to The City if improperly disclosed. Confidential Information includes information communicated in confidence, either by being expressly identified as confidential, or because the character of the information is obviously confidential. Confidential Information includes information classified as Restricted and Confidential as set out in The City's Information Security Classification Standard, but does not include information classified as Unrestricted by that Standard.
4. Conflict of Interest – Occurs when an employee has a Private or Personal Interest that could influence or compete with, or be perceived to influence or compete with, the objective exercise of their City duties.
5. Employee – Individual employed by the City, including on contract, but not

including elected officials.

6. Gifts, Hospitality and Other Benefits – Include, but are not limited to, such items as meals, beverages, invitations to social or recreational events, accommodation and travel.
7. Key Management Personnel – Includes the City Manager, Deputy City Manager, General Managers, Chief Financial Officer and City Solicitor and General Counsel.
8. Management - Includes the City Manager, Deputy City Manager, General Managers, Directors, Managers and any Exempt leader who has direct supervisory responsibility for employees.
9. Nominal Value – Means a perceived value of \$25 or less.
10. Outside Interests – Include, but are not limited to, secondary employment, business undertakings or ownership, teaching and involvement with charitable, political, community service and professional organization.
11. Personal Relationship - Involves a relationship of a romantic nature or a relationship which is sufficiently close that objectivity is either impaired or may be perceived to be impaired.
12. Political Activity – Includes, but is not limited to, being a candidate for elected office, campaigning for a candidate for elected office, fundraising for an election campaign, and/or promoting a political party or cause.
13. Private Gain – Is any advantage that benefits an employee, their Relative, friend or someone with whom they have a close Personal Relationship. The advantage is not limited to a financial interest, but could include any benefit to the employee, their Relatives or friends.
14. Private or personal interest – Means a relationship, obligation, duty, responsibility or benefit unique to the employee, a Relative or friend of the employee.
15. Relative – Is an individual with whom the employee has a family relationship and includes, without limitation, an employee's:
 - Husband, wife, common law spouse, adult interdependent partner, legally separated spouse
 - Children and grandchildren (including foster or step)
 - Dependents
 - Parents (including foster or step) and parents-in-law
 - Brothers and sisters (including foster or step) and brothers-in-law and sisters-in-law
 - Sons-in-law or daughters-in-law
 - Niece or nephew
 - Uncle or aunt
 - Cousins
 - Grandparents

POLICY

1. Scope/Exceptions

1.1. Scope

This policy applies to individuals employed by the City, including those on contract.

1.2. Exceptions

This policy does not apply to The Mayor, Councillors or the staff in their offices.

2. Responsibilities

2.1 General

- 2.1.1. Employees are expected to perform their duties in a way that sustains the trust and confidence of citizens in their municipal government.
- 2.1.2. Employees must ensure they are carrying out their duties with integrity by putting the interests of The City first, without regard to their Private Interests.
- 2.1.3. Employees are expected to maintain the public trust and avoid conduct that creates, or appears to create, a Conflict of Interest.
- 2.1.4. Employees may seek guidance from any of the following in assessing whether a situation constitutes a Conflict or potential Conflict of Interest:
 - their Exempt Supervisor, Director or General Manager
 - City Auditor's Office
 - Corporate Security
 - Law – Legal Services
 - HR Business Partner
 - Labour Relations, Human Resources

2.2 An Employee is responsible for:

- 2.2.1 Reading and complying with this policy.
- 2.2.2 Requesting an interpretation of this policy from their immediate

Exempt Supervisor if they are unsure whether any of their behaviours, circumstances or interests may breach this policy.

- 2.2.3 Disclosing any Private Interest, including those of any Relative, Business Associate or friend, prior to participating in or seeking to influence any civic decision-making process affecting such an interest. (For example, an employee whose responsibilities include procurement evaluations would disclose any private interest they have with respect to any of the suppliers participating in the procurement process).
- 2.2.4 Performing their duties in an unbiased manner. To that end, an employee will not offer extraordinary assistance to any individual or entity in their dealings with The City. Conversely, an employee will show no personal antagonism or bias which could disadvantage any individual or person in their dealings with The City.
- 2.2.5 Advising their immediate Exempt Supervisor of any potential breach of this policy they may be in, or by other employees of which they are aware.
- 2.2.6 Cooperating with City staff who are investigating a potential breach of this policy

2.3 Management is responsible for:

- 2.3.1 Making an employee aware of this policy at the time of their hire and on a regular basis thereafter.
- 2.3.2 Ensuring an employee is aware of any additional requirements in those Business Units where enhanced conflict of interest guidelines are required.
- 2.3.3 Providing, with assistance from the appropriate City staff as required, information to employees regarding the interpretation and potential breaches of this policy.
- 2.3.4 Seeking out guidance on issues which are complex or cannot be easily resolved.
- 2.3.5 Working with an employee who reports a Conflict, in order to assist the employee to manage, reduce or eliminate the Conflict of Interest.
- 2.3.6 Documenting the actions taken to address a Conflict of Interest on the employee's personnel file.
- 2.3.7 Supporting an employee who reports potential breaches of this policy and protecting an employee who, in good faith, reports a potential breach of this policy, from any reprisal.
- 2.3.8 Informing their Director of any substantive breach of this policy

(i.e. a breach which requires an employee or employees to be suspended pending investigation or disciplined) and the action taken to address it.

- 2.3.9 Taking appropriate action with respect to any breach of this policy.
- 2.3.10 If applicable, reminding an employee who is leaving their employment with The City of their ongoing fiduciary obligation to protect the confidentiality of any information which is sensitive, confidential or of a proprietary nature which they acquired during the course of their employment with The City, where the disclosure of such information could do harm to The City.
- 2.3.11 If deemed appropriate given particular business risks and circumstances, establishing oversight bodies to assess Conflict of Interest issues and advising management on appropriate measures and controls.

2.4 Key Management Personnel is responsible for:

- 2.4.1 Complying with reporting requirements for related party disclosures on The City's annual consolidated financial statements. This is required in order to maintain public trust and transparency.

3. Guiding Principles

3.1 Section 1 - Outside Interests

- 3.1.1 Mutual trust is one of the fundamental components of The City's relationship with an employee. This relationship carries with it certain expectations and responsibilities of both parties as it relates to Outside Interests. The City encourages its employees to undertake the responsibilities of service and citizenship in their communities, but not to make use of City time or resources for such activities without the prior agreement of their immediate Exempt supervisor.
- 3.1.2 The City also requires that employees govern their Outside Interests to ensure that they are capable of providing full commitment to the Corporation, without providing an opportunity for a Conflict of Interest.

Examples of situations, when a Conflict of Interest may exist, are:

- a) The employee's ability and/or judgement is influenced by their

own interests or those of a third party against the best interests of The City.

- b) The Outside Interest interferes with or interrupts the employee's ability to perform civic duties.
- c) An employee uses City Assets for purposes related to the outside interest, without authorization.
- d) An employee seeks an advantage, or appears to seek an advantage, with respect to a City approval or inspection.
- e) The Outside Interest is performed in such a way as to appear to be an official act or to represent an opinion or policy of The City.
- f) The Outside Interest involves activities offered on a commercial basis that compete with services offered by The City.
- g) An employee's actions in their City role affects or appears to provide an advantage to a different employer with whom the employee has accepted secondary employment.
- h) An employee receives additional compensation for performing their City duties from parties' external to The City.
- i) An employee's performance of City duties is influenced by offers of future employment.

These examples are not intended to be exhaustive.

3.2 Section 2 - Gifts, Hospitality and Other Benefits

3.2.1 A City employee may accept any gift, hospitality or other benefit which:

- a) is offered or awarded to them by The City.
- b) is of nominal value (e.g. a small gift of appreciation such as cookies or chocolate).
- c) falls within the normal standards of courtesy or protocol in the public sector (e.g. pens, lapel pins, calendars).
- d) constitutes a normal presentation made to persons participating in public functions or an award presented to an employee who is representing The City.

3.2.2 An employee can participate in a catered meal ordered in the normal course of a meeting with Business Associates either at a City facility or at the office of a Business Associate.

3.2.3 An employee may attend a social event which is hosted by a City business unit, a City civic partner or other orders of government

(e.g. other municipalities, a Canadian province or The Government of Canada)

- 3.2.4 With the approval of their Manager, Director or General Manager, an employee can attend a social engagement hosted by a Business Associate when the event is an industry-wide occasion where multiple invitees across the industry are also invited and no 'one-on-one' hosting occurs.
- 3.2.5 If an employee has been invited to participate in a formal capacity at a conference or meeting (e.g. guest speaker or subject matter expert), it will be permissible for that employee to accept full, or partial, subsidization of the costs associated with that event. Approval by the employee's Director will be required.
- 3.2.6 A City employee cannot solicit or accept the following:
- a) a gift or prize of a perceived value greater than \$25
 - b) cash or gift cards
 - c) a gratuity
 - d) a ticket or tickets to an entertainment event
 - e) an invitation to a social outing or to a conference where the employee's costs are paid by a third party
- or
- f) any other benefit that may have a real, perceived or potential influence on their objectivity or that place them under obligation to the third party providing the gift, hospitality or service.
- 3.2.7. In the occasional circumstances where it is impossible to decline a gift (e.g. reasons of protocol), the recipient's immediate Exempt supervisor will consult with the appropriate resources as outlined in Section 2.1.4 and provide direction to the employee about the disposition of the gift.
- 3.2.8. If an employee is uncertain whether to accept a gift, hospitality or benefit, they should decline it or refer the matter to their immediate Exempt supervisor. The immediate Exempt supervisor will consult with the appropriate resources as outlined in Section 2.1.4 and provide direction to the employee.
- 3.2.9 When an employee incurs expenses while conducting business on behalf of The City with a Business Associate (e.g. meal expenses), the employee shall be reimbursed by The City in accordance with the Reimbursement of Employee Business Expense policy. The employee cannot allow the Business Associate to pay his or her expenses.
- 3.2.10 When purchasing goods or services for their personal use from a supplier who provides goods and services to The City, an employee shall neither request, nor accept, a discounted rate which that supplier has contracted to provide to The City.

3.2.11 An employee shall only accept discounts on goods or services when it is the general business practice of the business to provide discounts to employer groups including, but not limited to, The City of Calgary.

3.2.12 An employee shall not receive or seek preferential treatment in the use of civic facilities or services.

3.3 Section 3 - Furthering Private Interests

3.3.1 An employee will not use their position with The City to further their private interests, or those of their Relatives, Business Associates or friends.

3.3.2 An employee will disclose to their immediate Exempt supervisor any private or personal interest, including those of any Relative, Business Associate or friend, prior to participating in or seeking to influence any civic decision-making process affecting such an interest.

3.3.3 A private interest is not limited exclusively to matters which have a direct financial benefit to an employee, but may also include matters that provide a personal benefit to a member of the employee's family or a friend.

3.3.4 An employee will not:

- a. In the course of their duties, take part in a decision (e.g. allotting work or ordering goods or services) knowing that the decision might further a private interest of the employee, a Relative, a Business Associate or friend.
- b. Participate in, or attempt to influence, human resources decisions such as the hiring, compensation, selection or performance evaluation of a person with whom the employee has a family or personal relationship.
- c. Use their public role to influence or seek to influence a City decision that could further a private interest of the employee, a Relative, a Business Associate or friend.

3.3.5 An employee will report orally, or in writing, any Private Interest to their immediate Exempt supervisor if the Private Interest of the employee, a Relative, a Business Associate or friend, could be, or appear to be, affected by the employee in their capacity as a City employee.

3.4 Section 4 - Using City Assets

3.4.1 An employee will use City assets only for City purposes and the

performance of civic duties, unless otherwise permitted by policy.

- 3.4.2 The use of City Technology Resources shall be consistent with the terms set out in the Acceptable Use of City Technology Resources Policy (Administration Policy IM-IT-002 (B)).

3.5 Section 5 - Using Confidential Information

- 3.5.1 An employee will collect, use and disclose information only for City purposes and in accordance with the *Freedom of Information and Protection of Privacy Act* (FOIP Act).
- 3.5.2 An employee must consult The City's Information Management and Security Policy for further details related to the proper management of information.
- 3.5.3 An employee must not seek to achieve personal or private gains by using confidential information.
- 3.5.4 An employee is entrusted with information and data used for the administration of the civic service. This type of information is releasable to the public only in accordance with the Freedom of Information and Protection of Privacy Act.
- 3.5.5 An employee who has access to information which is sensitive or confidential, or of a proprietary nature, shall only release such information to other civic employees who require this information to carry out their job responsibilities.
- 3.5.6 An employee shall not use or communicate information not available to the general public that was gained by the employee in the course of carrying out their duties for their personal use or gain, or for the personal use or gain of a Relative, a Business Associate or friend. This principle also applies to former employees who have an ongoing fiduciary obligation to protect the confidentiality of any information which is sensitive, confidential or of a proprietary nature which they acquired during the course of their employment with The City.
- 3.5.7 The Exempt supervisor of a departing employee, who is deemed to be in possession of information which is sensitive, confidential or of a proprietary nature, will remind the departing employee, in writing, that they cannot work on files or specific elements of files where they possess confidential information acquired while in the employ of The City. Furthermore, failure to comply will lead to communications with a new employer requesting that the employee be removed from the file, failing which court action against the new employer and the employee may follow.

3.6 Section 6 - Political Activity

- 3.6.1 Political activity by employees is permitted, but must be conducted during non-work time and outside the workplace. An employee who is a candidate for elected office shall not identify themselves as an employee of The City of Calgary in their campaign materials.
- 3.6.2 Employees are expected to be politically neutral in the performance of their City duties.
- 3.6.3 Subject to the provisions referenced in Section 3.1 - Outside Interests, any employee may:
 - a. Join a provincial or federal political party or other political organization.
 - b. Participate actively in the internal affairs of a provincial or federal political party or organization.
 - c. Hold an office in a provincial or federal party or organization.
 - d. Solicit financial or other contributions for provincial or federal elections or campaigns
- 3.6.4 Municipal Elections:
 - a. The *Local Authorities Election Act* requires employees to take a leave of absence without pay in order to run a candidate in municipal elections.
 - b. An employee running as a candidate in a City of Calgary municipal election may request this unpaid leave of absence to commence on or after July 1 of the year in which the election will occur. The employee must commence their unpaid leave of absence no later than the last working day prior to nomination day.
 - c. Upon election, the employee is deemed to have resigned their employment as of the day they assume their elected office.
 - d. If the employee is not elected, they may return to work to the position they held before their leave of absence commenced. They shall return to work on the fifth day after the election (or on the first working day after the fifth day).
 - e. There is no legislative restriction for civic employees wishing to work as volunteers and campaigners, or wishing to endorse candidates in a municipal election.
 - f. Employees wishing to participate in municipal elections should be sensitive to the corporate intent of maintaining a civic service which is non-partisan and impartial in its relationship with citizens and Members of Council.
- 3.6.5 Federal and Provincial Elections:
 - a. An employee who has been nominated as a candidate in a provincial or federal election, or by-election, will be required to take a leave of absence without pay for the election period (i.e.

- following the issuing of the election or by-election writ).
- b. Upon election, the employee must resign from the civic service unless a one-term, unpaid leave of absence is authorized by the employee's General Manager. During the leave of absence, the employee will not be entitled to any service-related benefits or to participate in any City of Calgary benefit plans. Upon return to The City, if the employee chooses to buy back any pensionable service, they will be required to pay the employer and employee contributions.
 - c. An employee who is not elected will be entitled to return to the same or similar employment effective the day after the election.

3.6.6 School Trustee:

- a. *The Local Authorities Election Act* requires employees to take a leave of absence without pay in order to run as a school trustee.
- b. An employee wishing to run in an election for the position of school trustee for a Calgary school board may request this unpaid leave of absence to commence on or after July 1 of the year in which the school trustee election will occur. The employee must commence their unpaid leave of absence no later than their last working day prior to nomination day.
- c. Upon election, the employee is deemed to have resigned their employment as of the day they assume their elected office.
- d. If the employee is not elected, they may return to work to the position they held before their leave of absence commenced. They shall return to work on the fifth day after the election (or on the first working day after the fifth day).

4.0 Consequences of Non-Compliance

The City will take appropriate action in response to any breach of this policy. An employee's actions will be reviewed and may result in disciplinary action being taken against the employee, up to and including dismissal from employment, seeking restitution (including reimbursement), commencement of civil action, criminal prosecution, instructing the employee to divest themselves of the Outside Interest, transferring the employee to another position or any combination thereof.

SUPPORTING REFERENCES AND RESOURCES

Please note that some of the items listed below may not be publicly available.

References to related [administration policies](#)

- Code of Conduct (Administration Policy HR-LR-005)

- Labour Relations Policy (Administration Policy HR-LR-002)
- Acceptable Use of Technology Resources Policy (Administration Policy IM-IT-002)
- Information management and Security Policy (Administration Policy IM-IT-003)
- Procurement Guiding Principles (Administration Policy FA-033 (B))
- Key Management Personnel Declaration Statement and instructions
- Reimbursement of Employee Business Expenses Policy (Administration Policy FA-011)

Other References

- [Freedom of Information and Protection of Privacy Act](#)
- CPA Canada Public Sector Accounting Standards
- [Local Authorities Election Act](#)

REVISION HISTORY

Date	Description
2019-01-29	Amendments to all policy sections.
2012 08 21 (Version B)	Amendment to Section 6 – Political Activity approved by the Administrative Leadership Team (see ALT Report ALT2012-0155)
2008 04 01 (Version A)	Removed from Chapter 32: Labour Relations to stand alone.
2004 09 21	Chapter 32: Labour Relations – Section 3210: Conflict of Interest Policy (in the hard-copy-based editions of the Administration Manual)