GLOBAL CITIES
Joining Forces Against Corruption
Columbia Law School • April 23-25, 2015

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Strengthening Ethics in Government: Toronto’s Progress After the Toronto Computer Leasing Inquiry

Presentation to the Center for the Advancement of Public Integrity, Global Cities Conference

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Fiona Murray, Director, Corporate Policy
City of Toronto

April 24, 2015
Key Findings

- The inquiries resulted in **241 recommendations** organized around the themes of Ethics, Governance, Lobbying and Procurement

- The City implemented the inquiry recommendations and has over the last ten years continued to strengthen ethics in Toronto’s government based on leading practice
Counsellors of Conduct for Appointed and Elected Officials

CODE OF CONDUCT FOR MEMBERS OF COUNCIL
CITY OF TORONTO

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Toronto’s Accountability Officers
Mandate

- Provide objective and independent oversight to ensure the transparency and accountability of City government

- Each officer has a specific mandate and role set out in law to advance transparency and accountability at the City.

- Toronto’s Municipal Code sets out their governance framework within the City including their features of independence and accountability to City Council
Role and Function

<table>
<thead>
<tr>
<th>Role</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Auditor General</strong></td>
<td>• Assists City Council in holding itself and its administration accountable for public funds and for value for money in City operations. Also manages the City’s Fraud and Waste Hotline.</td>
</tr>
<tr>
<td><strong>Integrity Commissioner</strong></td>
<td>• Provides advice, complaint resolution and education about the Codes of Conduct; and investigates complaints to determine whether or not there has been a violation of the Code.</td>
</tr>
<tr>
<td><strong>Lobbyist Registrar</strong></td>
<td>• Promotes transparency and integrity through public disclosure of lobbying and regulation of lobbyists’ conduct. Provides advice and conducts inquiries and investigations to enforce compliance with lobbying requirements.</td>
</tr>
<tr>
<td><strong>Ombudsman</strong></td>
<td>• Works to ensure that the City treats the public fairly, and that services are provided in a fair and equitable manner. Investigates complaints about administrative unfairness related to City divisions, most City agencies and City Corporations.</td>
</tr>
</tbody>
</table>
Toronto Public Service By-law

TORONTO MUNICIPAL CODE
CHAPTER 192. PUBLIC SERVICE

Chapter 192

PUBLIC SERVICE

ARTICLE I
Definition:

§ 192-1. Definitions.

ARTICLE II
Objectives and Values

§ 192-2. Objectives.
§ 192-3. Values.

ARTICLE III
Human Resources Management

§ 192-4. City Manager.
§ 192-5. City Clerk.
§ 192-6. City Solicitor.
§ 192-7. Agencies.
§ 192-8. Policies; City Manager.
§ 192-10. Ethics executives.

ARTICLE IV
Conflict of Interest and Confidentiality

§ 192-11. Conflict of interest; obligations; continuation; reporting.
Key Components of the By-Law

- Public Service Values
- Role, Responsibilities and Authorities of the City Manager and City Agencies to Manage Human Resources under their Authority
- Provisions for Conflict of Interest, Political Activity and Disclosure of Wrongdoing and Reprisal Protection
- Establishment of Ethics Executives
Procurement By-laws and Policies

Purchasing Policies & Legislation

The following is a list of Bylaws, Policies, and Procedures that govern the procurement process at the City of Toronto.

Toronto Municipal Code

- Purchasing Chapter 195 (PDF, 44 KB)
- Chapter 71 - Financial Control (PDF, 225 KB)

Policies

- Accessible Customer Service Training Requirements
- Conflict of Interest policy
- Declaration of non-discrimination policy (PDF, 27 KB)
- Environmentally responsible procurement policy (PDF, 16 KB)
Constituency Services and Office Budget Policy

June 2014
City Clerk’s Office
As amended by City Council at its meetings on July 11, 2012, January 29, February 19, and June 13, 2014

Constituency Services & Office Expenses

<table>
<thead>
<tr>
<th>Ward</th>
<th>Councillor</th>
<th>Office Expense</th>
<th>Personal Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Etobicoke North</td>
<td>Crisanti, Vincent</td>
<td>$21,956.57</td>
<td>$0.00</td>
</tr>
<tr>
<td>2 - Etobicoke North</td>
<td>Ford, Doug</td>
<td>$0.00</td>
<td>$57.14</td>
</tr>
<tr>
<td>2 - Etobicoke North</td>
<td>Ford, Rob</td>
<td>$261.30</td>
<td>$0.00</td>
</tr>
<tr>
<td>3 - Etobicoke Centre</td>
<td>Leon, Peter</td>
<td>$3,187.76</td>
<td>$0.00</td>
</tr>
<tr>
<td>3 - Etobicoke Centre</td>
<td>Holyday, Stephen</td>
<td>$201.86</td>
<td>$0.00</td>
</tr>
<tr>
<td>4 - Etobicoke Centre</td>
<td>Lindsay Luby, Gloria</td>
<td>$10,957.63</td>
<td>$0.00</td>
</tr>
<tr>
<td>4 - Etobicoke Centre</td>
<td>Campbell, John</td>
<td>$1,935.52</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
Further Information

- **Codes of Conduct**
  - Code of Conduct for Members of Council
  - Code of Conduct for Members of Local Boards
  - Code of Conduct for Adjudicative Boards
  - Toronto Municipal Code, Chapter 140, Lobbying
  - Lobbyist Code of Conduct
  - Toronto Municipal Code, Chapter 27, Council Procedures

- **Accountability Officers**
  - Overview of Accountability Officers
  - Toronto Municipal Code, Chapter 3, Accountability Officers
  - Auditor General
  - Integrity Commissioner
  - Ombudsman
  - Lobbyist Registrar

- **Toronto Public Service By-law**
  - Council Report
  - Presentation
  - Toronto Municipal Code, Chapter 192, Public Service By-law

- **Procurement**
  - Procurement By-laws and Policies

- **Policies Pertaining to Councillor’s Offices**
  - Policies and Regulations Guiding Members of Council
Contacts

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Office of the Inspector General
A Little History – Corrupt and Contented

According to this new study, Pennsylvania is number five on the most corrupt state list! Do you have anything to say about that?

Number five? That’s outrageous! I won’t stop working until we’re number one!
A Little History - Abscam

Michael “Ozzie” Myers, U.S. Congressman

“Money talks, bullshit walks”

$50,000

3 years in prison
A Little History – City Employees

18 Plumbing Inspectors
Convicted

“Tips” in exchange for favorable inspections
A Little History – Philly Pride
Eight judges were removed from the bench after it was disclosed that union officials had handed them envelopes stuffed with cash. Some affected bewilderment that anyone would raise a fuss. Why, these weren't payoffs, they gamely protested: The envelopes with the secret coding on them, the better to avoid detection, were simply gifts reflecting the high esteem in which they were held.

Philadelphia Inquirer
A New Day, A New Way
The Philadelphia IG Office

- New mayor elected on platform of honesty and integrity in city government
- We will no longer tolerate fraud and corruption
- Expansion of the IG office
- Staffed by a former federal prosecutor and former FBI agent
- Opportunity to change system, police ourselves
What We Do - Mission

- Boost confidence in government by rooting out fraud, corruption and misconduct
- City employees & companies doing business with city
- Independent - Work for mayor, but represent citizens
- Can issue subpoenas, compel testimony
- Must cooperate w/IG
- Focus on cases with biggest impact
How We Work

- Administrative investigations
  - Recommend discipline
  - Recover money
  - Identify flaws in system
  - Recommend changes
  - Work with departments
How We Work

- Criminal investigations
  - Bring in law enforcement early
  - Work jointly – no referrals
  - Testify in support of restitution
How We Work - Contract Compliance

“These new regulations will fundamentally change the way we get around them.”
How Do We Change?

• Starts from the top – building an ethical climate

• Consistency
• Transparency
• Positive reinforcement
  IG Integrity award
  Honest employee letters
• Deterrence – constantly sending message
Things are Changing

- Investigative arm catches wrongdoing confidence in government
- City employee complaints increasing
- City employees report attempted bribes rather than taking them
Prevention

- Chief Integrity Officer
- Education
- Outreach and Training
- Professional Skepticism and communication
- Compliance Matters team
- Reporting hotline
- Vendor lectures
- Employee lectures
Going Forward

- A permanent and independent Inspector General
Questions?

City of Philadelphia
Office of the Inspector General
601 Walnut Street, Suite 300E
Philadelphia, PA 19106
215-686-1770
OIG@phila.gov
What Do Comeback Cities Come Back To?

Frank Anechiarico

Maynard-Knox Professor of Government and Law, Hamilton College

“Global Cities Joining Forces Against Corruption”

Center for the Advancement of Public Integrity
Columbia Law School
April 24, 2015
New York City

- Scandal: 1870’s, The Tweed Ring

- From “Commissioner of Accounts” to the “Department of Investigation”
Hong Kong

- 1960s colonial police scandals
- Creation of the Independent Commission Against Corruption
Public Contracting Scandals of the 1990s

To the Amsterdam Integrity Bureau
Figure 12.1  Integrity violations

- **Conflict of (private and public) interest**: personal interest (through assets, jobs, gifts etc.) interferes (or might interfere) with public interest;
- **Fraud and theft**: improper private gain acquired from the organization (with no involvement of external actors);
- **Corruption**: bribing: misuse of public power for private gain; asking, offering, accepting bribes;
- **Misuse and manipulation of (the access to) information**: lying, cheating, manipulating information, breaching confidentiality of information;
- **Incompatible functions/activities**;
- **Improper use of authority** (for noble causes): to use illegal/improper methods to achieve organizational goals (within the police for example illegal methods of investigation and disproportionate violence);
- **Waste and abuse of resources**: failure to comply with organizational standards, improper performance, incorrect or dysfunctional internal behavior;
- **Discrimination and sexual harassment**: misbehavior towards colleagues or citizens and customers;
- **Private time misconduct**: excessive serious misconduct in one’s private time which has repercussions on one’s job, and/or harms the public’s trust in the administration/government.

Source: Gedragslijn informatieverschaffing integriteitschendingen Gemeente Amsterdam (p.1), Handreiking straftoepassing bij integriteitschendingen Gemeente Amsterdam (p.1).
Enforcement Oriented Integrity Restoration
Values Based Integrity Restoration

- Restoring TRUSTEE PROFESSIONALISM
“... corruption in a democracy usually indicates a deficit of democracy.”

Don’t let your guard down!
Raymond B. Fosdick, Commissioner of Accounts, 1910-1913, “The Mayor’s Eye”
Accomplishments of the Office of Commissioner of Accounts, 1910-1913:

• Centralization and professionalization of probation services

• Establishment of a municipal testing laboratory for certification of construction materials and research into more efficient building practices.

• Reform of staffing levels and scheduling of the Bureau of Ferries and other public transportation.

• Reforming a partisan Board of Elections by placing under control of the presiding justice of the State Appellate Division.

• Creation of the City’s first consumer protection agency

• Investigations leading to integrity reforms in the Departments of Fire, Police, Health, Parks, Archives and Libraries, and Hospitals.
Public Integrity Issues Under the “Democratic Exclusion” Criterion

- Mass incarceration
- Gerrymandering
- Unregulated campaign finance
- Privatized service provision
- Aggressive street policing

- LEGAL, BUT CORRUPT
Thank you.

fanischia@hamilton.edu