MUNICIPAL PROPERTY ASSESSMENT CORPORATION

2023 Annual Whistleblowing Program Report

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Overview

At MPAC, we are committed to openness and transparency, and to the highest ethical standards. We conduct our work with pride and a shared set of values and accountabilities, while fostering a culture of mutual respect, professionalism, and customer focus. This commitment, together with our values and Code of Conduct, guides us in the work we do every day.

To honour this commitment, we established MPAC's Whistleblowing Program to provide employees, stakeholders, and the public with a secure avenue to report observed or suspected instances of fraud or other irregularities in the way we conduct business. This program operates under the principles of anonymity, confidentiality, and protection, ensuring that individuals feel empowered to come forward without any concerns about reprisal.

All MPAC employees are responsible for reporting a known or suspected occurrence of fraud or irregular conduct, as outlined in MPAC's Fraud and Other Irregularities Policy. The Whistleblowing Program is managed and administered by MPAC's Risk Management Branch, which is independent and accountable to MPAC's Board of Directors.

Reporting process

MPAC's Fraud and Other Irregularities Hotline is the Program's primary reporting channel. Operated independently by a third party, the service is confidential, secure, and anonymous. It is available 24 hours a day, seven days a week, either by phone, mail, or online.

MPAC's Risk Management Branch reviews all disclosures to determine if a report warrants further investigative action. Ongoing cooperation and interaction are required throughout an investigation to ensure the review is comprehensive. If a case is deemed to be outside of the program's scope, as defined in the Fraud and Other Irregularities Policy, the reporter will be directed to the appropriate channel to address their concern. Examples of out-of-scope cases include instances involving harassment, discrimination, interpersonal employee relations, and health and safety concerns.

All information collected through MPAC's Whistleblowing Program is protected by the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*. Additionally, it is a violation of the Fraud and Other Irregularities Policy to retaliate against an employee who alleged fraud or other irregularity, or who participated in an investigation.

Whistleblowing Program statistics

Since the inception of MPAC's Whistleblowing Program in October 2016, MPAC has received a total of 118 whistleblowing reports.

In 2023, MPAC received a total of 13 reports, of which one case was reviewed and deemed to be outside the scope of MPAC's Whistleblowing Program.

The remaining 12 cases were investigated as a potential fraud or other irregularity. Six reports were submitted by external sources and seven reports were submitted by internal MPAC staff.

All 12 investigations were completed by the end of 2023, resulting in three substantiated cases and nine unsubstantiated cases.

Results of investigated Whistleblowing Program reports
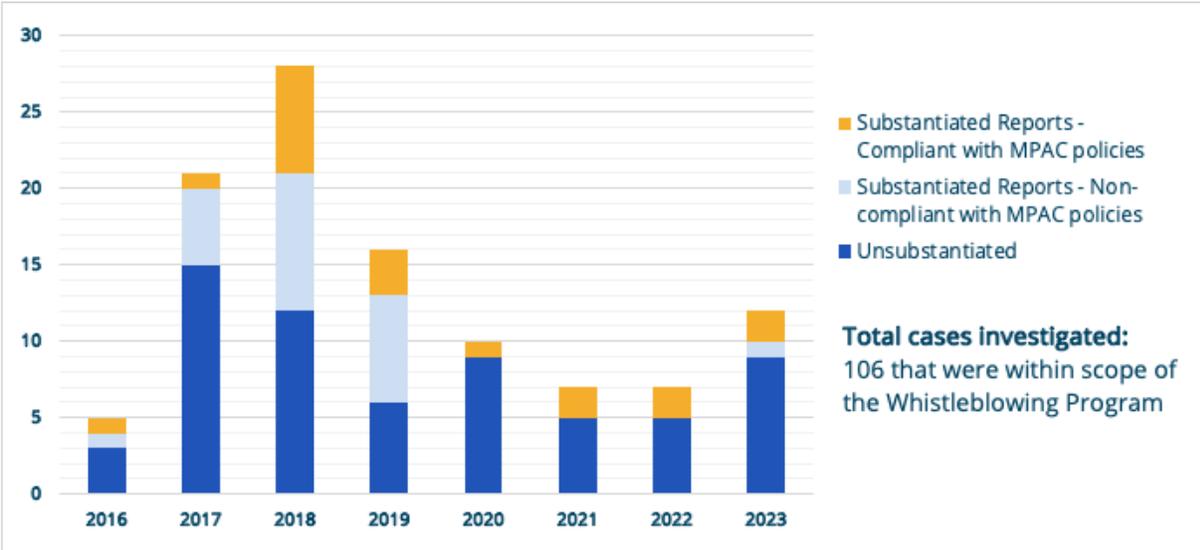
Substantiated – Non-compliant with MPAC Policies – allegation was accurate and constituted as fraud or other irregularity (e.g., pure fraud or other irregularity by an MPAC employee). Typically, intentional in nature.

Substantiated – Compliant with MPAC policies – allegation was accurate but does not constitute fraud or other irregularity (e.g., issue, error, process, or policy gap identified needing action, however no direct violation of an MPAC policy). These instances are typically unintentional in nature.

Report categories

The table below summarizes the number of reports since the inception of the Fraud and Other Irregularities Hotline in 2016, by category**.**

Report Category	Number of Reports								Total
	2016	2017	2018	2019	2020	2021	2022	2023	
Violation of Laws, Regulations, Policies or Procedures	1	12	15	8	8	7	3	0	**54**
Theft, Embezzlement, Fraud	1	3	4	3	0	0	2	6	**19**
Unethical Conduct and Conflict of Interest	2	2	4	2	1	0	1	1	**13**
Manipulation or Falsification of Data	1	1	2	0	1	0	1	0	**6**
Data Security and Privacy	0	2	1	3	0	0	0	0	**6**
Management/ Supervisor	0	0	1	0	0	0	0	0	**1**
Products and Customer Service	0	0	1	0	0	0	0	0	**1**
Property Assessment/Valuation Misinformation or Fraud *	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5	**5**
Other – Miscellaneous/ Undefined	0	1	0	0	0	0	0	0	**1**
Total Cases Received	**5**	**23**	**30**	**16**	**12**	**9**	**10**	**13**	**118**
Outside of Scope/Referred to appropriate source	0	2	2	0	2	2	2	1	**12**
Total Cases Investigated	**5**	**21**	**28**	**16**	**10**	**7**	**8**	**12**	**106**

*New category in 2023

Position or process identified in reports that were investigated

Position /Process	Number of Reports								Total
	2016	2017	2018	2019	2020	2021	2022	2023	
Bargaining Unit Employee	3	5	10	10	2	3	2	7	**42**
Management	2	2	4	2	0	0	1	0	**11**
MPAC (General) – Process-related/Data accuracy	0	10	14	4	8	4	4	5	**49**
Other - e.g., MPAC stakeholder	0	4	0	0	0	0	0	0	**4**
Total	5	21	28	16	10	7	7	12	106

Summary of substantiated cases received

Below is a summary of the three substantiated reports that were investigated and closed in 2023. On average, investigations submitted through Fraud and Other Irregularities Hotline are expected to take three to six weeks to complete.

Incorrect or missing assessment data

Two of the substantiated reports noted issues of having incorrect or missing assessment data on a property. The field offices were notified for possible re-inspection of each property. The accuracy of data and property details were confirmed and/or updated to reflect findings resulting from the property inspection or investigation of the property details. The results of these cases are classified as substantiated but compliant with MPAC policies since there was no indication of fraud or other irregularity, however the allegation of missing or incorrect information was accurate.

Fraudulent employment letter

One substantiated case involved the misuse of an outdated employment letter. Human Resources investigated the case, and a warning letter was issued to the employee.

Conclusion

Regardless of whether a case is substantiated, operating the Whistleblowing Program yields many benefits, such as improving education on the expectations for ethical behaviour in the workplace.

Other benefits include improved processes, adherence to policies, strengthened internal controls, improved accuracy of MPAC's data, and deterrence of fraud and wrongdoing.

Appendix A: Fraud and Other Irregularities Reporting Categories

Category	Description
Financial Reporting and Accounting	Items regarding: The accuracy and completeness of financial statements and other financial reporting; Accounting, internal accounting controls or auditing matters
Unethical Conduct	Any situation involving: Unethical or dishonest conduct; Conduct that is contrary to the values of the organization; Improper business conduct relating to suppliers or procurement
Conflict of Interest	Any situation or action that puts an employee in conflict, or could be perceived as putting them in conflict, with the interests of the organization
Manipulation or Falsification of Data	Authorized or unauthorized changes made to any data, information or reports to manipulate or falsify documents or records for purposes such as: Covering mistakes or fraud; Improving financial or operational results; Gaining unfair advantage in a contract
Fraud	Any attempt or action to gain personal monetary or other advantage by using deceitful methods, including Falsification of data, transactions, or documents; Cover up of illegal activities
Theft	Any situation or action involving: An act of stealing from an organization or individual; Attempts to conceal acts of stealing
Violation of Laws, Regulations, Policies, Procedures	Any situation involving a violation of: A law, regulation or policy established by an organization or regulatory authority, including securities commissions; A policy or procedure established by the board, management, or other authorized level of the organization
Data Security and Privacy	Any activity or situation that could pose a risk to data, data security or privacy of information including unauthorized access, hacking, theft or tampering
Compensation and Benefits	Issues or concerns related to compensation and benefits
Products and Customer Service	Issues or concerns related to products and services
Management/Supervisor	Issues or concerns related to management actions
Property Assessment/Valuation Misinformation or Fraud	Items relating to property assessment involving property attributes, property classification or any other fraudulent activity relating to MPAC's assessed value of a property.
Whistleblower Protection	Any retaliation or reprisal occurring as a result of an ethics report made in good faith. Reprisal could include: Exclusion from work activity; Job loss, demotion, or reduction of pay or hours; Relocation or reassignment; Verbal or online abuse by co-worker or manager; Actual or threatened physical harm

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Accessible formats and communication supports are available upon request.